FBIS DAILY REPORT

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MINISTRY SILENT ON BRITISH MINISTER'S STATEMENT

PY140245 Buenos Aires DYN in Spanish 1911 GMT 13 Jun 84

[Text] Buenos Aires, 13 Jun (DYN) -- The Argentine Foreign Ministry has refused to make any comments on statements by former British Foreign Minister Francis Pym who predicted in London that sooner or later the two governments will discuss the problem of the sovereignty over the Malvinas Islands.

The official spokesman of the San Martin Palace refrained from commenting on the statements of the former British official that were published by international news agencies.

Chilean Foreign Minister Jaime del Valle, who voiced his optimism over the prompt solution to the Beagle Channel conflict, also refrained from making any comments when asked an opinion on Pym's statements.

During a meeting with the media in Santiago, Del Valle referred to the agreement between the Argentine Government and the political parties and on the acceptance of Pope John Paul II's proposal to solve the southern border conflict between the two countries.

PERONISTS PROPOSE CONGRESSIONAL CONTROL OF SIDE

WA121513 Rome IPS in English 12 Jun 84

[Text] Buenos Aires, June 12 (IPS) -- Argentine legislators of the opposition Peronist Party will present a draft law which would give Congress control of the government's intelligence operations.

Spokespersons for the group of Peronists, members of the Chamber of Deputies, argue that the state intelligence ministry, which was frequently blamed for human rights violations under the former military government (1976-83), must be under legislative control.

The intelligence ministry, known by its acronym SIDE, is now part of the executive branch and reports directly to the president.

When President Raul Alfonsin took office last Dec 10, he named attorney Roberto Manuel Pena to head SIDE, as the ministry's first civilian director. Pena is a member of the ruling Radical Civic Union Party.

Radical Party legislators have expressed dissatisfaction with the Peronists' proposal on congressional control of SIDE, and maintain that the intelligence body should remain under President Alfonsin's authority. But they admitted that the legislature should have the power to call in Pena to report on SIDE's restructuring since the civilian administration took office.

In addition to SIDE, each branch of the Armed Forces maintains an intelligence organization under exclusive military jurisdiction. Those agencies gained increasing power under the military government, and were widely accused of kidnapping and torturing citizens who were considered political opponents or labor activists.

The directors of the three Armed Forces intelligence services now answer to defense minister Raul Borras. But political analysts speculate that a future law on national defense may restrict the three organizations' activities to operations necessary for foreign defense. That legislation would give SIDE exclusive right to internal intelligence operations.

MILITARY 'STILL' ADVISING NICARAGUAN CONTRAS

PY131701 Buenos Aires BUENOS AIRES HERALD in English 13 Jun 84 p 9

[Text] (DYN) -- Two Christian Democratic leaders, Deputy Augusto Conte and the chairman for the city of Buenos Aires party office, Nestor Vicente, yesterday denounced that in Nicaragua "there are still Argentine military advising the counter-revolution" and warned that if attacks on the Sandinist government continue, "that country could become a new Vietnam."

On their return from a seven-day stay in Nicaragua, Conte and Vincente, both of whom belong to the "Humanism and Liberation" faction of their party, gave a press conference to explain that country's critical situation and little headway the Contadora group of countries are making in their peace efforts. They proposed an alternative joint-action plan to replace Contadora's if it fails.

The Christian Democrats explained that Nicaragua "is making an important political effort in pursuit of the development and the liberation of a country destroyed by the long years of the sanguinary, backward dictatorship of the Somoza family." They expressed their concern over the lack of information regarding whether the Argentine military fighting against the Sandinistas have been discharged or retired from the Armed Forces.

HERALD: 2 MILLION ON STRIKE OR 'STATE OF ALERT'

PY131710 Buenos Aires BUENOS AIRES HERALD in English 13 Jun 84 p 9

[Excerpt] (DYN-NA) Over two million workers across the nation are currently either on strike or on "state of alert," with the one-million-strong Confederation of State Workers (CGTE) leading the way in the strike avalanche over pay demands.

The four railway unions last night accepted an offer by the government for an emergency across-the-board wage hike of $a2,000.

An agreement between striking telephone company (Entel) employees and the government was reportedly reached yesterday, though some operators were still on strike, as a check by the HERALD revealed last night. Federation leaders accepted a $a2,000 pay hike and a promise by Entel to set up a wage council, and in turn lifted all strike action which included a 48 hour strike planned to begin tomorrow.

The mounting strike wave and its impact on the recently signed political accord and foreign debt negotiations are expected to be the key topics at today's meeting of executive board members of the unified General Confederation of Labour.

The CGTE yesterday placed its members on state of alert to protest government failure to set up a promised wage council to study union demands.

Some 5,000 Buenos Aires city workers marched on the mayor's office yeterday, commandeering city vehicles to the Plaza de Mayo site where over 100 dump and trash trucks, pick-ups, and cranes blocked traffic around the plaza during the morning protest.

Union leaders said most of the 50,000 city workers backed yesterday's four-hour stoppage, but Mayor Julio Cesar Saguier claimed only 3,000 walked off their jobs. The city stated union demands of a $a12,400 minimum monthly wage cannot be met "for the moment." On state of alert, union leaders are expected to take longer strike action unless their demands are met.

Pay disputes currently ongoing include those by railway, metal, water works, state coal board (YCF), textile, sugar, and restaurant workers, as well as bank clerks and meat packers.

YCF warned the six-hour stoppages by workers in Rio Turbio are causing a buildup of gas in coal mines which could lead to a major explosion. White-collar workers meanwhile joined the strike in Rio Turbio and the federal capital.

Several workers' groups on the Sarmiento and Mitre railway lines apparently staged surprise stoppages throughout yesterday, though Ferrocarriles Argentinos said the delays in their time schedules were due to "technical difficulties." At least eight wild-cat Railway Union branches have confirmed a 48-hour nation-wide rail shut down set to begin tomorrow.

In Monteros, Tucuman, 100 workers stormed the Nunorco sugar plantation and factory and ousted company authorities. Some 5,000 workers later gathered in Monteros' main plaza to demand that the government ensure job stability at the financially troubled firm. Schools and shops closed down as many of Montoneros' 30,000 residents, financially dependent on Nunorco, protested.

BRIEFS

NEW AMBASSADOR TO KENYA -- The executive branch has appointed Julio Oscar Sugasti as Argentine ambassador to Kenya, where he will go from Lebanon, where he was serving as head of the Argentine mission in that country. [Text] [Buenos Aires LA PRENSA in Spanish 10 Jun 84 p 5 PY]

DIPLOMATIC APPOINTMENTS -- The Holy See has agreed to the designation of former Social Security Secretary Santiago de Estrada as Argentine ambassador to the Vatican, it has been officially announced at the Foreign Ministry. Similarly, the Bolivian and Colombian Governments have approved the appointments of Daniel Olmos and Gaspar Luciando Toboada as Argentine ambassadors to Bolivia and Colombia, respectively. Estrada will replace Jose Maria Alvarez de Toledo, and Olmos and Taboada will replace Major General Francisco Salinas, retired, and Jose Rodriguez Galan, respectively. [Text] [Buenos Aires LA PRENSA in Spanish 10 Jun 84 p 4 PY]

WELFARE AGREEMENT WITH GREECE -- Argentina and Greece have signed a reciprocal social welfare agreement whereby the two nations pledge to recognize the years of work carried out in the two countries for the payment of pensions under Argentine Foreign Minister Dante Caputo and Greek Ambassador to Argentina Alexandroa Zakinthinos. [Text] [Buenos Aires LA PRENSA in Spanish 10 Jun 84 p 4 PY]

NEW FINANCE MINISTER ON DEBT RENEGOTIATION

PY131825 Paris AFP in Spanish 1801 GMT 12 Jun 84

[By Andres Soliz Rada]

[Excerpts] La Paz, 12 Jun (AFP) -- Despite the opposition of the Bolivian Labor Federation [COB], the new finance minister, Oscar Bonifaz Gutierrez, has undertaken a campaign to convince the Bolivian public of the need to start foreign debt negotiations with the international banking sector.

Under pressure from the COB, Bolivian President Hernan Siles Zuazo announced 11 days ago the suspension of foreign debt payments to the international banking sector until economic reactivation is achieved.

Bonifaz Gutierrez, who assumed his his duties yesterday, noted that Bolivia has been virtually excluded from the Latin American foreign ministers meeting that will be held in Cartagena on 21 and 22 June.

He added that although Bolivia will probably be specially invited to the meeting, which is sponsored by Argentina, Brazil, Mexico, and Colombia, and supported by Chile, Peru, and Ecuador, the fact is that it will not be among those organizing the meeting.

Bonifaz noted that he believes that several Latin American countries are striving to take advantage of the Bolivian position to achieve better terms in the renegotiation of their foreign debt.

Bonifaz said: I wonder how we can dare say that we will not negotiate with the private banking sector when everybody else does. The United States does it, the Soviet Union does it, and even enemies at war undertake negotiations.

Bonifaz Gutierrez, who 3 months ago was forced to resign as industry minister due to strong pressures from the COB, may now be confronting a new attack from the powerful Bolivian labor organization.

COLOMBIA EXTENDS INVITATION TO CARTAGENA MEETING

PY140215 Buenos Aires TELAM in Spanish 2318 GMT 13 Jun 84

[Text] La Paz, 13 Jun (TELAM-ANSA) -- The Bolivian Government has been invited by the Colombian Government to the foreign, economy, and finance ministers' meeting to be held in Cartagena de Indias to discuss the regional foreign debt problem.

The meeting has been scheduled for 21 and 22 June by a unified action started by Argentina, Brazil, Colombia, and Mexico regarding the increase in the interest rates on the foreign debt.

According to information that leaked out of the Foreign Ministry the invitation was extended during high level contact between La Paz and Bogota. Bolivia has decided to declare a provisory unilateral moratorium in order to channel its resources to the country's development and prevent the standard of living from dropping even more.

PAZ ZAMORA DISCUSSES GOVERNMENT'S PROBLEMS

PM131435 Madrid EL PAIS in Spanish 5 Jun 84 p 6

[Vice President Jaime Paz Zamora interviewed by Antonio Cano in La Paz -- date not given]

[Text] Question: Great disappointment is to be noted in Bolivia after 18 months of left-wing government.

Answer: It is an understandable disappointment. In fact the Bolivian democratic system has so far resolved none of the major problems inherited from the dictatorship; neither the problem of the economic crisis, nor that of the political crisis, nor that of the social crisis. The only thing that it has resolved is the problem of freedoms. Expectation was very great. There was a collective awareness that that democratic change had great potential for transformation.

Question: How is the government attempting to combat that disappointment?

Answer: The major response was to rebuild the Popular Democratic Union (UDP) -- a government coalition comprising the National Revolutionary Movement of the Left, the Movement of the Revolutionary Left (MIR), and the Communist Party -- starting from the MIR's return to the government in April. There the UDP government really begins a serious attempt. In fact there are some 18-19 wasted months. The UDP's political assets have been considerably eroded.

Question: The trade unions believe that the latest economic measures comply with the IMF's demands.

Answer: If we had practiced IMFism here, we would have had to dismiss half the public administration employees and close 80 percent of the factories because they are not profitable.

Question: How does the government intend to react to the trade unions' pressures?

Answer: Over these 18 months the government has destroyed its political instrument for reaching the masses. It has also lost credibility. But, in addition, it has been unable to build a state apparatus. For instance, the dictatorship knew how to resolve conflicts: Bring tanks onto the streets, exile the leaders, kill them....

The democratic state still does not know how to tackle conflicts and does not have the instruments for doing so. For instance, when the military left, they took everything that there was in the Ministry of the Interior: files, submachineguns, vehicles. And the state has been unable to set up a security service in 18 months because it has no money.

Question: What do you know about the presence of armed civilian groups in the country?

Answer: Here there are armed groups of various kinds. One of the democratic government's weaknesses has been not to disarm the paramilitary groups. During the democratic process certain left-wing sectors have also attempted to arm themselves, from the extremist groups preparing for people's warfare to other groups, even linked in some way with government sectors, which believe that it is naive not to prepare for a coup. It seemed to us child's play to arm groups which really will resolve nothing.

Question: What are the chances now of a coup occurring?

Answer: The danger of a coup is always present. When this process began, in October 1982, I can say that the Armed Forces had genuinely embarked on the path of the democratic process.

Moreover, it is the institution which effected the greatest internal cleanup out of all the country's institutions; but insofar as the process did not proceed as it should, this strength of conviction became weaker and the ousted sectors began to find a greater breeding ground for their preaching of a return to the past.

"Drug Traffic Has Become Democratized"

Question: The drug traffic has increased considerably under the democratic system. To what is this due?

Answer: Let us say that the drug traffic has become democratized under the democratic system. Under the military regime the drug traffic was in the hands of a few people closely linked to the government structures. What has happened now is that because of the economic crisis and because of the lack of control by a democratic state which has no resources, the drug traffic has begun to become democratized in the sense that a host of small drug traffickers have begun to emerge.

There is another problem, and this is that broad sectors connected with the drug traffic, such as the peasants who grow coca, can express themselves under democracy; and when an attempt was made here to limit coca growing, peasant trade unions came out onto the streets to demonstrate, demanding that the government not interfere in coca growing.

NEIGHBORHOOD COMMITTEES SEIZE MAYOR'S OFFICE

PY111920 La Paz Cadena Panamericana in Spanish 1700 GMT 11 Jun 84

[Report from the La Paz mayor's office]

[Text] Approximately 1,000 representatives of neighborhood committees have officially taken over the La Paz mayor's office in a decision [words indistinct] the municipal authority.

The reason for this seizure is that they demand, once and for all, that the La Paz mayor signs [word indistinct] thus allowing that 11 districts in La Paz be supplied with electric power as soon as possible. [end recording in progress]

CHAVES DECRIES LACK OF UNITY IN LEADERSHIP

PY131838 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Jun 84 p 1

[Text] Vice President Aureliano Chaves at a conference in the ESG [War College] in Rio, today, criticized the lack of unity among national leaders. He said that "without unity among the leadership, there is no political unity" and that is why "on the eve of a presidential succession, we are still discussing how to go about it." According to him, "command unity does not mean ruling unity; to command is to rule together."

It was revealed in Brasilia that, after President Figueiredo had lost interest in the PDS primary [Social Democratic Party], Aureliano was about to resign from the vice presidency, and the presidential candidacy, and he was even about to abandon the party. Today Chaves has a meeting with the president at the Planalto Palace.

Upon visiting his committee in Rio, Aureliano Chaves said that the country needs "affirmative leadership."

'Threatens' To Leave PDS

PY121230 Sao Paulo Bandeirantes Network in Portuguese 0230 GMT 13 Jun 84

[Report from Brasilia]

[Excerpt] Vice President Aureliano Chaves is threatening to split away from the Social Democratic Party [PDS] and urge his supporters to vote in favor of the amendment for direct elections now.

Aureliano Chaves' arrival in Brasilia after meeting in Rio de Janeiro with former President Geisel and PDS politicians, prompted the gathering of hundreds of journalists and politicians at the airport this evening.

Aureliano Chaves said that he canceled the meeting scheduled for today with President Figueiredo because he could not make it back from Rio de Janeiro in time.

The vice president then [words indistinct] violent decision within the PDS and added that he could draw away from the party and explained his stance.

[Begin Chaves recording] My resolve to split away from the PDS leadership is increasing. In the first place because of direct elections. I think that the decision of the PDS leadership, (?as far as I'm concerned), turns its back on the Brazilian people. Now the PDS leadership is trying to get the party to turn its back on its grass roots [words indistinct]. [end recording]

FOREIGN MINISTER DISCUSSES FOREIGN DEBT

PY112350 Rio de Janeiro O GLOBO in Portuguese 10 Jun 84 p 35

["Text" of Foreign Minister Ramiro Saraiva Guerreiro's interview by O GLOBO in Brasilia on 7 June]

[Text] O GLOBO: In the letter made public by the seven Latin American countries on 6 June, the presidents expressed their hopes for joint action in the area of international finance, following concepts of justice and equity. What are these concepts?

Guerreiro: The concert of justice is always subject to different interpretations. The Latin American position expressed in the letter refers to a constructive dialogue. As we have said many times, we consider that, from the political standpoint, there is a convergence of interests between developing and developed countries on the questions of economic expansion, improvement of the standards of living, and promotion of democratic processes in Latin America. We believe that there are several points about which developing and developed countries can seek reasonable mutual solutions. This is somehow our concept of justice.

O GLOBO: What should a more promising picture for Latin American aspirations look like?

Guerreiro: What we seek is easing the terms under which debts are negotiated. Obviously the trigger for action at the political level was the unpredictability of the interest rate in view of the steep upturn it took. We became sensitive not only about our situation, but also about the situation of other countries. We can already see effects which create a visible risk of social and political destabilization in some countries.

O GLOBO: During the 1979-82 period, international interest rates took an upturn just as steep or even steeper than now. Why was there no joint action of the Latin American debtors then, and there is one now? What has changed in between?

Guerreiro: There was greater liquidity in the international financial system as well as more rapid financial flow to meet the needs of debtor countries. Since 1982, especially, there has been some slowdown in international financial circles. Mexico's near moratorium and the Malvinas episode psychologically affected the financial system. Consequently, what is known as rolling the debt was made more difficult. That is the change that took place. This is the difference, because the situation was not good in 1978 or in 1982. Things were terrible because of the oil crisis. Interest rates increased to high levels in 1980-1981, to even higher levels than now.

O GLOBO: Possibly the Latin American countries relied on normal mechanisms of the financial system to be sufficient to meet the situation then, and felt no need to resort to political instruments as they are doing now.

Guerreiro: Partly. There is a question of time and of a persistent recessionary situation. You can live with this for 1 or 2 years, but hope is necessary to accept it. There is also a question of the ripening of some ideas. We did not begin to perceive the seriousness of the situation in 1984, but quite some time earlier. Remember President Figueiredo's speech to the UN General Assembly in September 1982. It was a warning and an appeal to look into the economic situation with all its political and social aspects. There was awareness, but the industrialized countries held to the idea that it would be possible to go on like this, since the financial system had gone through especially difficult and unexpected situations such as the oil shock with the distribution of financial resources that followed. Nobody can deny efforts were made by the banks during the 1981-82 period, but it could then be foreseen that the process would develop into a serious crisis. Suddenly, in early 1980, there was an unpredictable contraction in the financial system, not only because there was less liquidity, fewer new resources to recycle, but because some countries were on the brink of declaring a moratorium.

O GLOBO: Was there any specific motive that drew the Latin American countries together?

Guerreiro: No specific motive, because, as has been said and everybody understands, debt negotiations are tackled individually, each country negotiates in its own way even though they are all developing countries. The common denominator among them is the fact that all of them resorted to foreign savings for their development and that all of them will continue to do so in the future. With few exceptions, all of them are countries going through a phase of democratic institutionalization and, therefore, it is advisable that the needs and expectations of each one be given attention.

O GLOBO: You talked about a connection between foreign debt negotiations and the process of democratization of debtor countries. In the case of Brazil, in what way would the results of that negotiation affect the presidential succession?

Guerreiro: The constitutional process in each country must be powered by an authentic internal movement. Otherwise, it will not thrive. But obviously some economic relief will make that process easier. It should be pointed out that Brazil, because of what it represents in Latin America, cannot be insensitive to what is happening to its neighbors. We cannot act as though we were a totally marginal country. At any rate, we have the same problems and we cannot ignore what happens to friendly countries around us.

O GLOBO: The brunt of the current rise of international interest rates will be felt mainly beginning in 1985 when Brazil will have a new president. Moreover, the profile of foreign payments is very high in the 1985-87 period. Would not it be advisable that political forces representative of society have a greater participation in the negotiations now under way so as to ensure future continuity?

Guerreiro: The incumbent government is responsible until its last day in office. The government is not only concerned with the present. On the contrary, when we try to improve, to make a political effort in cooperation with other Latin American countries expecting the cooperation of the developed countries, we are not doing things for the Figueiredo government but for the country. Any improvement in conditions for negotiations can be very beneficial and can begin to produce more favorable results under the next government. Our duty is to work, beginning now. Incidentally, I can say that this kind of effort has been very well understood in political circles of all leanings.

O GLOBO: Does the diplomatic mobilization regarding the Brazilian foreign debt mean that the government has accepted an old proposal made by the Brazilian opposition?

Guerreiro: It is all a matter of evolution. The Brazilian Government has always worked at both levels. The foreign debt negotiation in operational terms had to be carried out in keeping with the prevailing circumstances due to the urgency of the moment. I remember very well that at that time the general attitudes went beyond that, trying to draw attention, warning that the rules of the system were not operating properly regarding terms and other conditions. Now there has been a natural evolution and the process has intensified as the need for a political manifestation ripened. This could be attributed to various factors, it could also be attributed to the mere passing of time. What really triggered things was the speed with which interest rates increased again, thus unbalancing our plans and creating a very somber expectation for the future.

O GLOBO: The Brazilian Government believes that the diplomatic channel is not a way of finding practical solutions to the economic problems. What is your opinion, sir?

Guerreiro: I think that that is perfectly normal. The negotiation with the banks is very tiresome, it is a sort of commitment, and the concessions are only made little by little, here and there. However, we do believe that diplomatic persuasion undoubtedly -- and there already is evidence in this regard -- ends up by getting involved and by expediting operations negotiations. From the political point of view the declaration of the seven Latin American presidents cannot avoid having a certain effect on the importance these countries grant to a thorough analysis of the problem, to the creation of a more advantageous framework for the renegotiation of the debt. This undoubtedly has a political influence. It is difficult to measure things mechanically but it is quite natural that someone who is carrying out technical negotiations should view things within the already existing rules although he himself would like them to be a bit more flexible.

O GLOBO: Is not the initiative to undertake joint action, which has been promoted by debtor countries, in opposition to what was promoted by IMF President Jacques de Larosiere who believes that debtor countries must be granted a differential treatment based on the success of their economic readjustment programs?

Guerreiro: The renegotiation in itself will be carried out on an individual basis and it will basically vary from country to country. For some, it will mean longer grace periods for others, a longer amortization schedule. The interest rate is a serious problem. Therefore, there are variations. But in all cases it is necessary to think of ways to soften the terms.

O GLOBO: Will the meeting of Latin American ministers in Cartagena result in a marked progress as regards the demands that have already been submitted?

Guerreiro: That will depend on the degree of interaction between the different countries. We have no intention of dictating at that meeting. We have undertaken a fluent dialogue with other countries, otherwise it would have been impossible to draft the text of the declaration. The fact that several countries have drafted a letter through telephone conversations and Telex messages is sufficient proof that they trust each other. But this is the result of a policy to strengthen ties that has mainly been carried out by the Figueiredo administration. We must note that we have no disagreements with anyone, but a ministers' meeting would be senseless unless they want to be more specific than what was stated in the declaration of chiefs of state.

O GLOBO: The seven Latin American countries have expressed the hope that industrial nations will issue a favorable political decision regarding their demands, but even before the summit Reagan and Margaret Thatcher have shown signs of inflexibility.

Guerreiro: We must study certain points. For example, European countries have different points of view from us regarding interest rates. High interest rates do not have such a dramatic effect on the lives of the people in European countries. Moreover, none of us is trying to overlook the present political situation in the United States. But there is an increasing awareness in industrialized countries that there is a problem. This is evident in U.S. academic circles, in the specialized press, even in newspapers. There is even an increasing awareness of the problem in banking circles, because there is indeed a problem.

O GLOBO: What will Brazil's attitude be in case of a possible negative reaction from industrialized countries?

Guerreiro: We will have to confront the problem in the future. We may not achieve everything we want to, but I believe that all countries are trying to give some signs of a positive reaction. Perhaps I am being optimistic, but I believe in the awareness, in the perception of people and governments.

3,000 MARCH ON SAO PAULO BANDEIRANTES PALACE

PY131955 Sao Paulo Radio Bandeirantes in Portuguese 1550 GMT 13 Jun 84

[Text] Some 3,000 inhabitants of slums and housing units have planned a large demonstration that was to be staged this morning in front of the Bandeirantes Palace. They would demand mainly that water supply and electric power rates be adjusted to a level that, taking into account their social situation, should stand at about 1 percent of the minimum salary. Demonstrators were even planning to submit a written request signed by 15,000 persons, asking the state government to comply with their demands.

Early in the morning, buses began arriving at the Ibirapuera parking area, from where the motorcade was supposed to go to the Bandeirantes Palace in Morumbi.

However, the military police prevented the buses from leaving. Demonstrators said that the order to stop the buses was given by the government.

But the demonstrators did not give up; they went by foot. After walking approximately 9 km for some 2 hours, they arrived at the Bandeirantes Palace. On their way to the palace they were hit by rain and cold wind.

Marchers were accompanied by the military police and even by some antiriot police trucks during their walk, but there were no incidents. Despite the military police attempts to hinder the march in some places, absolute tranquillity prevailed.

At around noon, the demonstrators arrived at the Bandeirantes Palace, where they were received with open gates. All of them entered the hall of the palace. Reporter (Berto Ferreira) filed this report from the Bandeirantes Palace:

[Ferreira] After a very tense morning, during which the Bandeirantes Palace was heavily guarded [words indistinct] 3,000 demonstrators are housed in the hall of the palace. Their leaders are holding a dialogue with state authorities in search of a solution for their demands.

Asked about possible reactions if negotiations yield no favorable results, PT [Workers Party] Deputy (Eduardo George) replied: Ours is a peaceful movement; nothing will happen. A new date will be established for another meeting.

CONGO INTERESTED IN CELLULOSE INDUSTRY

PY140028 Brasilia Domestic Service in Portuguese 2200 GMT 13 Jun 84

[Text] The Republic of the Congo is interested in acquiring Brazilian technology in the cellulose industry regarding machinery as well as technical know-how. This information was disclosed by Industry and Commerce Minister Camilo Penna after a meeting held with Congolese Water and Forestry Minister Henri Djombo who has already visited important cellulose factories in southern Brazil.

PINOCHET SAYS MAJORITY SUPPORTS MILITARY REGIME

PY140022 Paris AFP in Spanish 1914 GMT 13 Jun 84

[Text] Santiago, 13 Jun (AFP) -- Chilean President Augusto Pinochet said in an interview published in today's issue of ERCILLA that 51 percent of the population supports the administration of his military regime which he installed almost 11 years ago. According to polls carried out recently by several local publications, the Pinochet administration has very little support. Pinochet said: It is very difficult to know how long one can govern a country. I now know that I can continue to govern until 1989.

Pinochet's perpetuation in power was established by the 1980 Constitution which was approved by a plebiscite and which was considered illegal by the opposition. The opposition which includes rightists and Marxists want that Constitution annulled and an election held for a congress and a new president.

FORMER OFFICIALS VIEW SITUATION, CONDEMN REGIME

Pinochet Will Not Finish Term

PY132328 Madrid EFE in Spanish 0028 GMT 13 Jun 84

[Text] Santiago, 12 Jun (EFE) -- In an interview published today by the opposition weekly CAUCE, Major General Gustavo Leigh, retired, a former member of the Chilean government junta, said that General Augusto Pinochet's presidential term will not run until 1989.

Maj Gen Leigh was commander in chief of the Air Force and a member of the government junta from the 1973 coup d'etat until the president of the Republic removed him in 1978.

According to Maj Gen Leigh, "because this government became more personalized and the junta began playing second fiddle the Armed Forces should not be tied to the government's fate." Maj Gen Leigh states that "although some people disagree, the Armed Forces continue to be a guarantee that the country will not again fall into what we went through before 1973."

Maj Gen Leigh also said that over the past 10 years a political vacuum has been created in Chile, and this is why there will be some instability in the coming years and "the Armed Forces will have to cooperate in that transition to democracy and support a consensus government."

Maj Gen Leigh defends the military who, because of their complete subordination to their superiors, must refrain from making statements and "cannot argue or voice their doubts with the chief of state, nor can they criticize their commander in chief."

Concerning the economy, Maj Gen Leigh says that "this is the responsibility of the only one who has a say in the country, and that one is the chief of state." He added that "the economic situation is much worse than the people think. The crisis may lead us into a very serious situation, a situation which may result in a change in the executive branch." Maj Gen Leigh says that if there is no room now for political dissidence "it is due to the personality of the chief of state." Pinochet feels that it is a loss of authority. "He does not delegate authority. He opens small relief valves but he disregards the opinions of his advisers," Maj Gen Leigh added.

Concerning the political sector, Maj Gen Leigh feels that Interior Minister Sergio Onofre Jarpa "is completely powerless."

Concerning an eventual democratic future, Maj Gen Leigh says that "it is essential that the opposition be mature enough to refrain from asking during the transition period that many people be punished. If a settlement of accounts is demanded a serious risk will be incurred because there is a chance of violent regression." Nonetheless, Maj Gen Leigh feels that the lawsuits that are under way must proceed. "The same goes for the economic and undue financial gain crimes."

Regarding Gen Pinochet, Leigh said that "he has unlimited ambition. He has no plans to say: The time has come to go home."

Gen Leigh also discussed Marxism, admitting that 11 years ago it was his intention to eradicate it. He added that "I now know that it is impossible to eliminate ideas by decree. The future of the Marxist parties must be determined by a constituent assembly. If the assembly decides to separate them, that should be the ultimate decision." The former junta member admitted that "perhaps we will have to put up with them, but I am still afraid of them."

Gen Leigh, who feels "frustrated by seeing so much economic and moral decomposition," said in conclusion that "I am responsible for installing this government and I am willing to answer for it."

The weekly CAUCE, linked to social democracy, was subject to prior censorship and was ordered to submit its material to the Secretary General of Government, but the Supreme Court lifted the censorship.

Coup Objectives Not 'Fulfilled'

PY131321 Santiago Radio Cooperativa in Spanish 1715 GMT 12 Jun 84

[Text] Somebody else must take over the conduct of the transition period and restore democracy soon because the objectives of the 11 September coup have not been fulfilled. Furthermore, it is regrettable and painful that this government should be remembered in history for having disrupted the country's constitutional system, all for nothing. These are some of the statements made by Air Force General Nicanor Diaz Estrada, retired, former labor minister and former commander of the National Defense General Staff.

The former general, who was one of the promoters of the 11 September 1973, coup, talked with Radio Cooperativa about various matters. The first issue was the political opening. [recorded passage indistinct]

Gen Diaz Estrada said that everything has failed, even despite the dramatic call made by the church, because whenever a dialogue is held, one party should be able to talk and have the other listen.

[Begin Diaz recording] When I summon somebody to talk with me, I cannot say that I will impose my own conditions and that we will talk about what I want. This is submission and nowadays no one can demand submission from an adversary because no one is strong enough to do this. [end recording]

Diaz Estrada said that here no one has been willing to accept different views, and this has caused a hardening of positions. He added that there is an incredible intransigence in Chile as a result of all the things that have occurred.

Nicanor Diaz Estrada has harshly criticized those people who score the church for adopting moral, ethical, and social rules of behavior. Bishops are entitled to enact rules for the Cathloc community. He added:

[Begin Diaz recording] And I will not refer to those people who pay for expensive ads to attack churchmen in order to defend (?personal) interests. This reminds me of former rightist sectors which view the church as [words indistinct] when it did something against their interests. Hence, everyone who did this was considered a Marxist. [end recording]

Diaz Estrada said that democracy must not be restored through the enactment of laws that punish dissenting views.

[Begin Diaz recording] On the one hand we have popular democracies, on the other protected democracies, and I do not know what the remaining ones are called. Extreme positions are a form of intransigence; it means imposing positions that cannot be accomplished. Nobody can classify me as anti-Marxist [corrects himself] sorry, I mean Marxist. Nobody can do it. However, I believe that the government must not restore democracy by enacting laws that prohibit dissenting views but rather by proving that it can offer something better than what Marxists propose. And if a democratic government, and I emphasize this point, if a democratic government is not capable of offering something better than what Marxists propose, then we must concede that Marxists are better and should therefore rule the country. I am certain that many people will consider this heresy and will cross themselves 10 times. I am a Catholic and not a Marxist. However, I want to tell those people that nothing is accomplished by being an anti-Marxist, an anti-Marxist Leninist, or an antisocialist. [end recording]

We are anti-Marxist champions, the former minister said, and we blame Marxists for everything that happens in Chile.

[Begin Diaz recording] Those people who disagree with the government are considered to be from the opposition, and everyone from the opposition is a Marxist. You hear this everyday, read it in every newspaper, in every [words indistinct]. Do we want to show that this system is better than Marxism? Do we want to show that what they call democracy here is better than Marxiam? [Passage indistinct] Well, these are two typical forms of intolerance. Those who do not think as we do are the opposition, and this makes them Marxists. And Marxists must be expelled from the country because they are not Chileans, they are not human beings. Those people do not remember that after 11 September, 1973, there was a very educated lady who nevertheless had the audacity to say that Marxist leaders had to be thrown out because the Marxist ideology was transmitted from parents to sons like an illness. This is not a story; I heard it with my own ears. [end recording]

We asked the general whether he was in favor of a return to democracy.

[Begin Diaz recording] As soon as possible, because the coup was not intended to keep the Armed Forces in power but rather to have them hand over power to a civilian government within 3 or 4 years. [end recording]

Nicanor Diaz Estrada said that the current situation is the same as the one before 11 September 1973.

[Begin Diaz recording] The other day I heard a report that in Chile there could not be a civil [word indistinct] if the Armed Forces did not split because they are strongly united. I could mention several cases in which military governments (?were defeated) by civilian movements. I would not like Chile to experience the same situation as Argentina did before the elections, when practically the only slogan was everyone against the military. [end recording]

Still referring to the role of the Armed Forces, he added:

[Begin Diaz recording] And the Armed Forces must hand over the power with a sterling image and they must preserve their longstanding prestige, uprightness, and lack of involvement in politics because they will always have to support the legal structure of whatever government rules the country, whether it is ultrarightist, centrist, or ultraleftist. The Armed Forces will have to back the government and if their image is not clean, they will not have any moral authority to do so. [end recording]

At one time, Nicanor Diaz Estrada assisted the head of state and enjoyed his confidence. We asked him what he would request from General Pinochet. Hesitating a bit, he said:

[Begin Diaz recording] I would ask him to speed up the transition period in order to restore democracy as soon as possible, as soon as possible. And I think he should even be told that somebody else should take over its conduct. I want to make it clear that I am not asking him to resign and that I am not disregarding his authority under the Constitution. However, I believe that in order for this process to ease and eventually end the existing tension, he should follow the example of his ancestor, who said: Here I am, take as much revenge as you please. [end recording]

This quotation is from General Bernardo O'Higgins.

The Chilean people have lost hope, faith, and love. As the song goes, the Chileans are a people without hope, love, and faith, the retired Air Force general said.

Nicanor Diaz Estrada assumed the highest of military posts, including the command of the National Defense General Staff. He said that looking at Chile 11 years after the coup, he felt as if a member of his family had died. As a result of the egotism of some and the intolerance of others, nothing has been achieved in Chile. Professional schools, unions, health, and education have been destroyed and perhaps the only thing this government will be remembered for is its regionalization plans.

[Begin Diaz recording] Disrupting the constitutional order in Chile, [words indistinct] the Constitution, disrupting everything to modify the people's ways and morale, to impose respect for the Constitution and to preserve the right to differ with others has been good for nothing. And let those who listen to this say whether we have accomplished anything.

The coup was staged to prevent a Marxist dictatorship and we ended up with a rightist dictatorship. It sought to restore the Constitution and the law and a more adequate Constitution was enacted. It sought to restore ethics and uprightness to public functions. And I will not discuss this any further because we all have our own views about it. The coup was also staged to preserve the right to differ with other people's views. Now tell me whether today we have this right without being called the opposition or Marxist. [end recording]

He concluded by saying that there are two groups within the Armed Forces. One includes those of us who organized the 11 September coup for all the previously mentioned reasons, and the other is made up of people who only took advantage of it and do not know why it was staged.

REPORTAGE ON DEMOCRATIC ALLIANCE ACTIVITIES

Meeting To Analyze Situation

PY130339 Santiago Radio Cooperativa in Spanish 1715 GMT 12 Jun 84

[Report by Carmen Castro]

[Excerpt] Important political meetings will take place this afternoon. The executive committee of the Democratic Alliance [AD], which will be presided over by Hugo Zepeda, will meet to analyze the country's general political situation.

Gabriel Valdes, president of the Christian Democratic Party, said this afternoon that he is willing to study the measures necessary to reactivate the activities of this opposition coalition. Valdes added that it is practically impossible to hold talks with the Group of 8 as a whole, noting, however, that it could be done separately with its member parties and movements, particularly with the National Party.

I am very interested, Valdes said, in finding points of agreement on and solutions to current problems, adding that the AD president has had personal contacts with Carmen Saenz, leader of the National Party. Valdes also said that it is not a matter of this or any other party joining the AD but rather of talking with them, seeking their support, and reaching agreements on important problems, such as those related to the freedom of expression and opinion, respect for human rights, the return of exiles, and others which disturb all Chileans.

To Be 'Parallel Government'

PY131455 Madrid EFE in Spanish 0348 GMT 13 Jun 84

[Text] Santiago, 12 Jun (EFE) -- Armando Jaramillo, the leader of the Republican Right, announced that the Democratic Alliance -- the opposition multiparty group -- today decided to constitute itself "a kind of parallel government."

Jaramillo said that the proposal of being "a kind of parallel government," made by Christian Democratic President Gabriel Valdes, was accepted at the meeting of the Executive Council that took place today. Jaramillo said that "as a parallel government, the Democratic Alliance will, step by step, give its opinion on all the urgent needs of the country, and it will offer a solution in each case." He also said that "an agreement was reached within the Democratic Alliance to change the current rotation presidency system to a triumvirate system."

The Democratic Alliance is made up of the Christian Democrats, the Republican Right, the Social Democrats, and the Socialist Party.

Dialogue Closed With Right

PY140211 Buenos Aires TELAM in Spanish 2056 GMT 13 Jun 84

[Excerpt] Santiago, 13 Jun (TELAM) -- The opposition coalition Democratic Alliance (AD), after accusing the rightist groups of giving priority to their loyalty for the military regime over a real democratic commitment, said that the dialogue with these groups and the Communist Party is closed. Upon announcing this decision, Augusto Parra, AD president, said that the intention to create a powerful opposition front covering the entire country with enough support to threaten the stability of the government of President Augusto Pinochet has failed.

Parra also blamed the Communist Party for not clearly defining its methods of violent struggle and terrorism. He also said that the democratic commitment of this party was not enough.

The AD held the meetings in its headquarters in Concepcion with the support of Jose Manuel Santos, vice president of the Episcopal Conference and Concepcion bishop. The AD based its project on the signing of a pact for democracy and against violence as a first step for the formation of an opposition political bloc.

PCCH HOLDS NATIONAL MEETING, ISSUES CONCLUSIONS

PY131731 Madrid EFE in Spanish 1748 GMT 12 Jun 84

[Text] Santiago, Chile, 12 June (EFE) -- In a recent national meeting, the Chilean Communist Party [PCCH] has reasserted the right to use the most diverse forms of struggle both peaceful and violent, against the military regime depeding on the prevailing conditions and the resources available to the people.

In a statement issued to the public, the PCCH Central Committee reported the conclusions of its national meeting which was held somewhere in Chile last week and which was attended by the permanent members of the Central Committee and the PCCH regional secretaries. Among these conclusions, the Communists note that "the struggle for democracy is the main task that mobilizes and unites the majority of Chileans." The Communists say that the human rights situation in Chile is "a terrible drama" and they add that "it is the irrevocable right of democratic forces to demand and obtain a complete explanation of the situation of thousands of missing political prisoners." The PCCH Central Committee adds that "when we demand an explanation for those crimes that have been perpetrated against so many Chileans, we are not moved by a desire for vengenace but by a desire to achieve true justice, which the people demand."

Regarding the Armed Forces, the PCCH "promotes a deep democratization of the Armed Forces, the repeal of the National Security Law, which was imposed by imperalism, and its replacement by a doctrine that is in keeping with national interests." The PCCH adds that in this regard "we do not discard the possibility that the Armed Forces may participate in a future government, but they must be purged of fascist leaders."

Regarding the economic policy enforced by the military regime of General Augusto Pinochet, the Communists note that "Chile is submerged in the vicious circle of imperialist dependency, that of contracting more and more debts every day to pay the interest rates on what it owes. But this is aggravated by the fact that the accumulated debt does not decrease but rather increases in view of the high interest rates imposed by the international banking sector."

Regarding the future, the PCCH notes that "only through struggle will the situation change, and this only confirms that freedom is not graciously granted by any tyranny; it has to be won."

The PCCH also states that "the end of fascism will not be the result of a single battle or the action of a single sector of opposition forces, but the result of a series of major and minor struggles to be carried out by all the Chilean people until they generate a general state of national rebellion that the tyrant will be unable to control."

The PCCH reasserts that with Pinochet no dialogue is possible and only the resolute, united, and combative action of the Chilean people is and will be the decisive factor that leads us to victory."

The Chilean Communists note that their party "is aware of the real situation in Chile; that it is present in all the struggles of the Chilean people, and that it is participating in all political discussions because Pinochet failed in his objective to destroy the Communist Party."

BOMB ATTACKS, INCIDENTS REPORTED IN SANTIAGO

Police Station Damaged

PY131405 Paris AFP in Spanish 0307 GMT 13 June 84

[Text] Santiago, 12 Jun (AFP) -- A command of two men and a woman this evening threw a bomb at a police station on the outskirts of Santiago. There were no victims, although the bomb caused serious damage. Police sources said that there were no wounded persons after the attack against La Victoria police station, and that its perpetrators escaped in a stolen taxi.

The police are undertaking an intensive operation in the populous neighborhood, where the attackers have presumably hidden.

On Sunday, two men were slain in an encounter with security and police forces after two explosions were heard at an electric power plant near downtown Santiago.

Bank Building Attacked

PY140250 Madrid EFE in Spanish 2159 GMT 13 Jun 84

[Text] Santiago, 13 Jun (EFE) -- The Chilean police reported here on 13 June that three bombings occurred in Greater Santiago on the night of 12 June. The first of them took place at 2140 local time (0140 GMT) in La Victoria, a poor neighborhood in southern Santiago, where two men and a woman threw explosives at the local Carabinero station, which was considerably damaged.

At 2250 (0255 GMT) another group of unknown individuals hurled a bomb at the building which houses a branch of the Chilean State Bank. The blast destroyed the windowpanes and damaged the main door of the building.

Finally, at 2310 (0310 GMT) unknown individuals threw a bomb at the headquarters of the southern Santiago provincial treasury, slightly damaging the door of the building.

According to the police report none of these attacks caused any casualties.

Fires, Barricades Disrupt Traffic

PY132323 Santiago Radio Cooperativa in Spanish 1715 GMT 13 Jun 84

[Text] This morning unidentified individuals interrupted traffic in the Conchali community for several minutes by setting up barricades and throwing incendiary devices on the street. This event took place in the 6200 block of Recoleta Avenue at 0815.

The individuals threw antigovernment pamphlets and set tires on fire before escaping. Carabineros arrived later at the site and normalized traffic, but made no arrests.

STUDENTS ARRESTED IN DEMONSTRATION IN VALPARAISO

PY140306 Paris AFP in Spanish 0228 GMT 14 Jun 84

[Text] Valparaiso, 13 Jun (AFP) -- The police arrested 22 university students who were staging a sit-down demonstration on one of the main avenues of Valparaiso on 13 June causing severe traffic jams. The students were arrested for disrupting public order while protesting the presence of military rectors at Chilean universities and the unfair arrest of a student who has been in jail since April this year.

Meanwhile, in Santiago, 140 km east of Valparaiso, dwellers of various suburban neighborhoods who went on the campus of the Catholic university to hold a meeting caused the university authorities to suspend academic activities. Despite the fact that two buses full of policemen were present, the people left the university in an orderly manner, according to the semiofficial news agency ORBE.

BRIEFS

1983 COPPER EXPORT FIGURES -- According to information supplied by the Chilean Copper Commission [CODELCO], Chile produced 1,257,000 tons of fine copper in 1983. The state-owned CODELCO produced 1,012,000 tons, 21,000 tons less than the preceding year, while small and medium-sized mining enterprises turned out 234,000 tons, that is, 33,000 tons more than the preceding year [figures as heard]. Chile received $1.85 billion for its copper exports. The main buyers were the United States, the FRG, and Japan which purchased copper worth $540, $235, and $144 million, respectively. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 23 May 84 PY]

1984 INCREASE IN TRADE -- According to a Central Bank report, Chilean import-export trade during the first 3 months of this year increased by 8.4 percent. During this period Chile exported goods worth $951.2 million and imported goods for $756.2 million. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 25 May 84 PY]

UNEMPLOYMENT REPORTED -- Hector Kappes, head of the Labor Statistics Department of the National Institute of Statistics, has reported that between February and April this year the average rate of unemployment was 15.9 percent. Kappes indicated that the reason for the upsurge was the reduction of special emergency employment programs, an action whose aim was probably to pressure the people into looking for better-paid work elsewhere. [Summary] [Santiago EL MERCURIO in Spanish 6 Jun 84 p C 2 PY]

U.S. TALKS ON AIR TRAFFIC ANNOUNCED FOR 25 JUNE

PY131725 Lima Diplomatic Information Service in Spanish 0504 GMT 13 June 84

[Text] The transportation and communications minister has announced that Peru and the United States will start negotiations on commercial air traffic between the two countries in Washington on 25 June.

FURTHER REPORTAGE ON CITE STRIKE, DEMONSTRATIONS

Justice Minister on Situation

PY131420 Lima Television Service in Spanish 0030 GMT 13 Jun 84

[Text] Justice Minister Max Arias Schreiber has said that the marches that the CITE [Intersectoral Committee of State Workers] has sponsored despite the state of emergency were staged in open violation of the Constitution.

[Begin recording] [Unidentified reporter] What is your opinion of the fact that CITE workers are staging spontaneous marches in several places in Lima despite the suspension of constitutional guarantees?

[Arias] I believe it is an open violation of the Constitution, because workers, like anybody else, have rights and duties. Everybody must respect the law. [end recording]

Police Intervene

PY131345 Lima Television Service in Spanish 0030 GMT 13 June 84

[Text] The General Confederation of Peruvian Workers [CGTP] leaders have manipulated workers of the so-called Intersectoral Committee of State Workers [CITE], dragging them along to the parade ground. Many of the demonstrators were not public servants, though. In view of the action of agitators, police had to break up the demonstration with an antiriot vehicle. The objectives of agitators became evident as they instigated a few naive public servants to stage provocative and violent actions in downtown Lima streets. Acting strongly and calmly, police put an end to the disturbances promoted by the agitators.

Demands Met, Strike Ends

PY131313 Lima Television Service in Spanish 0030 GMT 13 Jun 84

[Excerpt] Schools will return to their normal activities tomorrow. In fact, teachers today ended the general, indefinite strike that they began on 4 June. Negotiations between the government and the Sole Trade Union of Education Workers [SUTED] ended successfully this afternoon after teachers' leaders met with Prime Minister Sandro Mariategui. The government agreed to readjust teachers' salaries by 100,000 soles as of July.

President on 'Drastic Measures'

PY131539 Lima Cadena Panamericana Television in Spanish 0300 GMT 13 Jun 84

[Text] President Fernando Belaunde tonight called upon public servants on strike to end their stoppage in order not to be affected by the sanctions that will be approved next Friday. The president said that the government will take strong response.

[Begin recording -- in progress] [Belaunde] ...this afternoon, a final solution has been found. The prime minister and the education minister have worked very hard into the night. I am glad the teachers strike has been solved. I would now like to address the sector of public servants that is still on strike and appeal to them, particularly internal revenue service and customs house employees, who must be aware that the government needs higher revenues to cope with its increasing expenses. However, the strike has cut the inflow of revenues. We have already reported on the drastic measures that will be taken. Therefore, I am launching an appeal in the hope that such measures will not be necessary. Public servants in charge of collecting taxes, both at the customshouse and at the economic-financial area, have double responsibility to the country, because it is through them that we will solve this strike, and it is through them that we will be able to meet, with great difficulty, the new obligation of the state. Therefore, it is their duty to cooperate in this task.

[Unidentified reporter] Justice Minister Max Arias said this morning that even though democracy and weakness [debilidad] both begin with the letter "d," they have different meaning. Do you agree with this idea?

[Belaunde] Indeed. Our position is absolutely firm. If this situation has not returned to normal on Friday, the Council of Ministers will undoubtedly take more drastic measures. [end recording]

SENATE PRESIDENT VISITS PRC, HOLDS TALKS

For Beijing XINHUA reportage of the visit to China by Peruvian Senate President Ricardo Monteagudo, including his talks with PRC officials, see the Western Hemisphere section of the 14 June China DAILY REPORT and subsequent issues.

PARTY LEADERS REACT TO NEW PROHIBITIONS

Press Restrictions 'Irritating'

PY140253 Montevideo Radio El Espectador Network in Spanish 1500 GMT 13 Jun 84

[Excerpts] Argentina is not like a foreign country because it is closely associated with Uruguayan problems and this is why President Raul Alfonsin's invitation is important. These remarks were made by Julio Maria Sanguinetti, secretary general of the Colorado Party. Sanguinetti said that social, economic, and cultural issues will be discussed with the Argentine president. The Colorado leader also referred to the recent prohibition imposed by the executive branch.

[Begin recording] [Unidentified reporter] The government has imposed some measures in the last few hours. Can these measures have any influence on the holding of the upcoming elections?

[Sanguinetti] Any restrictive measure is irritating. Any restrictive measure affecting the press complicates things. There is no doubt about that. Obviously there are problems but we knew we were going to have problems. I believe no one was surprised that we had to make progress in the midst of difficulties. No one believed that we were going to hold the 1982 internal elections without problems, and the 1980 plebiscite under the same circumstances. There is no other way to go in a dictatorship. No one can expect a dictatorship to democratically resolve the problems of democracy while exercising a dictatorship. I have said over and over again that we are going to live in the midst of problems until 1 March. The question is whether after 1 March we are going to have an effective democratic government with a constitution. This is the foremost issue. We are not going to accept any of these measures but obviously we have to recognize that this is an unfortunate reality. [end recording]

'Surprised' by Communique Contents

PY140204 Montevideo Radio El Espectador Network in Spanish 1600 GMT 13 Jun 84

[Excerpts] Most of the members of the National Party's board this morning held a meeting to analyze some pending matters concerning the convention slated for Sunday. The participants in the meeting, directors of the For the Fatherland and Rocha National Movements and top National Party leaders, also analyzed yesterday's Interior Ministry communique which was disclosed to the press through a document signed before a notary public at the Montevideo police headquarters. At the end of the meeting, El Espectador, Radio Sport, and the Cadena de Oro interviewed Dr Gonzalo Aguirre.

[Begin recording] [Unidentified reporter] Dr Aguirre, a few hours ago the government released a communique giving concrete information about the present and future situation. What could you tell us about it?

[Aguirre] Well, we have in our hands the communique to the news media through a document signed before a notary public. As a matter of fact, we are surprised by some of the information, particularly the news concerning the fact that professional agitators have entered the country clandestinely from abroad and that they are equipping the more radicalized groups and getting ready to act with arms, bombs, explosive devices and other devices for direct aggression. What surprises us most is the fact that these people, if they did, in fact, enter the country, were not arrested. Why did the authorities allow professional agitators from abroad to enter and, if, as they say, they have been detected, why have they not been arrested? This would seem to indicate that security services, including police and military groups, are not efficient. The government has been talking about national security for the past 10 years, but judging from this communique, it would seem that there is no security at all. [end recording]

RESTRUCTURED DEBT SAID TO HELP ECONOMY

FL131948 Mexico City NOTIMEX in Spanish 1622 GMT 13 Jun 84

[Excerpt] Mexico City, 13 Jun (NOTIMEX) -- Ricardo Cavazos Galvan, secretary of the Chamber of Deputies Finance Committee, has said that restructuring the nation's foreign debt will permit Mexico to reactivate its economy and lessen pressures associated with the lack of foreign currencies. Cavazos Galvan added that the money destined for debt repayment would now be used to import raw materials, machinery, and capital goods -- all of which will support the production sector's achieving goals within the national development plan.

PARM SPLINTER ORGANIZING NEW POLITICAL PARTY

PA132218 Mexico City EL NACIONAL in Spanish 11 Jun 84 p 2

[Text] Mario Guerra Leal and his supporters refuse to be outdone. Not having been invited to the "resurrection" of the Authentic Party of the Mexican Revolution [PARM] 2 weeks ago, they have now decided to form their own party: United Mexico Party [Partido Mexico Unido -- PMU].

The constitutive assembly of the Political Association for Nationalist Affirmation, founded by Guerra Leal when PARM lost its registration in 1982, was held yesterday at the small "Venustiano Carranza" auditorium, the former offices of PARM's Federal District committee. Approximately 50 persons presented by Guerra Leal as delegates from throughout the country approved turning the association in a political party and requested its conditional registration [registro condicionado] for the 1985 federal elections.

The assembly also approved the declaration of principles, the action program, and the bylaws of the new party, which, it was said, has been in existence for over 4 years, thereby meeting a legal requirement to be able to obtain its conditional registration.

Mario Guerra Leal created it "early in 1977 as an answer to the so-called political reform intended at that time."

However, the assembly was characterized by constant attacks and expressions of bitterness, disillusionment, and resentment against PARM, to which most of those present belonged. It was said that the party they are now trying to "revive" has already betrayed the principles that created it, and has become a springboard for the personal ambitions of the group now in control of its national leadership.

The so-called letterhead political parties were also criticized. These can be found everywhere. They only represent themselves, but never the will of the Mexican majorities.

GOVERNMENT RETURNING FIRMS TO PRIVATE SECTOR

WA141516 Rome IPS in English 12 Jun 84

[Text] Mexico, June 12 (IPS) -- Shares in state-owned companies went on sale on the Mexican stock market today, as the government continued divesting itself of firms it has controlled since banks were nationalized two years ago. The move has encouraged private businessmen and bankers here, and sparked hopes among them that it might herald an even wider "de-nationalization" wave. But opposition politicians have criticized what they see as a step backwards from national control of strategic sectors of the economy. The bulk of the $5.5 million worth of shares that went on the market today are in the state-run telephone company.

The sale marks the second phase of the government's efforts to get rid of companies that had been wholly or partly owned by private banks nationalized in September 1982 by then President Jose Lopez Portillo, in the wake of Mexico's financial crisis. Last March, 339 companies were put up for sale -- nearly two thirds of the firms that passed automatically into the state's hands when their former owners, 48 private banks, were nationalized. 142 of them are industrial enterprises, 115 service companies, 13 construction companies, and the other 69 are in the non-banking finance sector. Some 30 of the firms are affiliates or subsidiaries of transnational corporations.

The government is keeping its shares in only two industrial enterprises, both in the mining sector. None of its 28 percent share of Cananea -- of which the state held 26 percent even before the bank nationalization -- is up for sale. Nor is it selling Azufrera Panamericta, where it was 96 percent in control before 1982.

Controversy has arisen over the privatization moves because of charges that the government is ceding majority control of companies seen as key to the Mexican economy. Critics have drawn special attention to the case of two Mexican affiliates of the West German chemical giant Hoechst, where the government is selling off its majority control. Since the bank nationalization, the state has owned 60 percent of the Mexican Chemical Industry Society, and 56.5 percent of Mexican Polymers.

Another prominent case is that of the Frisco Mining Group, one of the most powerful conglomerates in the country, which owns 15 companies, and has close links with the San Francisco Mines Company of the United States. One of Frisco's arms owns the Real de Los Angeles silver mine, the biggest deposit of the mineral in the world, which accounts for 15 percent of Mexican silver output. Mexico is the largest silver producer in the world. The bank nationalization gave the government 70.24 percent of the company's shares, alongside the Canadian firm Placer Development, which controlled the remaining 29.76 percent.

There is strong speculation in financial circles that President Miguel de la Madrid is planning to sell off even more state-owned firms, independent of divestments of companies previously belonging to the banks. Over a year ago, Energy, Mines, and Parastate Industry Secretary Francisco Labastida announced that the government would sell "onerous and unproductive" state companies. A month later, the government sold its shares in two joint ventures -- one with Renault of France, the other with American Motors -- and took over their liabilities, to avoid factory shutdowns and layoffs.

More recently, a group of prominent Mexican businessmen formed a new company called Libre Empresa, S.A. (Private Enterprise Ltd.) in April, announcing they were prepared to buy "any state enterprise the government is willing to sell." The new company is headed by the Televisa Group, the largest private radio and TV network in the country, and by the Decs Group, which owns 13 firms, mainly in the mining and chemicals sectors, and was ranked fifth in sales among Mexican corporations in 1982. Libre Empresa is reported to be already holding talks with government officials about buying some state holdings.

The government currently enjoys majority ownership of 376 companies, spread among 68 industrial sectors. The biggest, apart from the oil firm Pemex, are in the electrical, steel, aviation, paper, shipbuilding, and distribution sectors.

BRIEFS

NEW UNOMASUNO EDITION -- The newspaper UNOMASUNO has announced the publication of its Mexico State edition. It will deal primarily with the affairs of Mexico State and will only circulate in that state. [Summary] [Mexico City UNOMASUNO in Spanish 5 Jun 84 p 1 PA]

ARIAS ON POSSIBLE OVERTHROW OF GOVERNMENT

PA132114 Panama City LA PRENSA in Spanish 13 Jun 84 p 1

[Article by Wilfredo Justavino]

[Text] Dr Arnulfo Arias Madrid, head of the National Opposition Alliance [ADO], in his first interview since the electoral process ended with the municipal elections held on Sunday, 10 June, has commented on the country's internal and external economic situation, on the Defense Forces' interference in the national government, and on the possibility of setting up a constituent assembly, "because the authorities could stop liking poor Fraudito [President-Elect Nicolas Ardito Barletta] and kick him out."

Arias Madrid described the ADO's victory in most mayoralties in Chiriqui Province as "a cleanup after the electoral fraud" on 6 May.

In the LA PRENSA interview, Arias stated the need to act vigorously to confront the present social and economic crisis largely caused by the Labor Code and Law 20. Both measures must be abrogated, he said.

"The first thing the military must do is to return to their garrisons, to be replaced by a civilian police force to take care of civil matters. The military have never had anything, and now they want to have it all," he added.

The ADO leader said that the 5 percent sales tax must be repealed since our people are very poor and cannot afford to pay so many taxes.

"The Social Security Institute must be supervised to see that it fulfills its medical and preventive health objectives of curing disease. Paying patients should have a separate fund, because that money is private and no one should touch it," he said.

Asked whether he believed a government overthrow was still a possibility, Dr Arias Madrid replied that "in view of the present situation, the establishment of a constituent assembly is very likely," and he added that already "chiefs of police and presidents have been kicked out," recalling that "they very subtly kicked out a chief of police," in a clear reference to General Paredes' retirement.

He stated that "it is imperative to take any measure that would improve the country's present situation, because we are in a crucial and uncertain period."

Arias Madrid, who was accompanied by his wife, Mireya Moscoso de Arias, and by Julio Solis, Rogelio Baruco, and Jose Domingo Torres, elected as municipal officials in David [Province of Chiriqui], sent a message to the province's mayors, representatives and councilmen advising the ten ADO candidates out of 13 mayors elected in that province to fight together to perfect democracy. "You must remember that above all you must preserve your dignity and not allow yourselves to be bossed around, but talk things over to decide what is right, or whether what someone suggests is right or wrong, period."

CANDIDATES CRITICIZE DEFENSE FORCES CONDUCT

PA132147 Panama City LA PRENSA in Spanish 13 Jun 84 p 1

[By Franklin Bosquez D'Giovanni]

[Text] Residents of El Chorrillo neighborhood have demanded that General Manuel Antonio Noriega, commander of the Defense Forces, explain that armed group's "open and shameless" imposition of Gustavo Melgar as corregimiento representative by supporting his reelection. Rogelio Mata, People's Party representative to El Chorrillo's Communal Vote Counting Board, delivered a copy of the letter sent to Gen Noriega to LA PRENSA's editorial office last night. The document was signed by representative candidates in that corregimiento for the following parties: Popular Broad Front Party (FRAMPO), Labor Party (PALA), Popular Nationalist Party (PNP), Nationalist Liberal Republican Movement (MOLIRENA), Popular Action Party (PAPO), Republican Party, and Authentic Panamenist Party.

The note stated: "With their open and shameless support of the repudiated Gustavo Melgar Fadul, the Defense Forces today, 10 June, have staged a mockery against our people by imposing him in the elections."

The note also stated: "El Chorrillo residents, who had been maintaining an inflexible position against Melgar, expressed their rejection of him in the voting precincts. However, the Defense Forces' magic wand is trying to greet El Chorrillo on 11 June with a representative who in 11 years has completely neglected its residents, while enjoying the benefits of being a representative in his luxurious home of Villa del Sol."

Further proof of the Defense Forces involvement is the fact that five "Pegaso" buses belonging to that group arrived here loaded with members, who although not appearing in the Electoral Registry proceeded to vote normally.

To the majority of El Chorrillo's representative candidates, "the Defense Forces, which have been claiming to defend democratization and peace in our country with so much demagoguery, have become an accomplice in a new mockery of our people, which is a behavior that hinders social stability."

The People's Party itself contested Melgar's election in a memorandum to Electoral Tribunal Magistrate-President Cesar A. Quintero.

PRESIDENT MUBARAK CONGRATULATES ARDITO BARLETTA

PA080415 Panama City Televisora Nacional in Spanish 2300 GMT 7 Jun 84

[Text] Egyptian President Muhammad Husni Mubarak has sent a message congratulating Panamanian President-Elect Nicolas Ardito Barletta. The message, received by the Embassy of the Arab Republic of Egypt in Panama, reads as follows:

Your election to the highest post in your country provides me a happy opportunity to send you my sincere congratulations and best wishes for success in your position, for the welfare of your people.

Please accept my highest regards,

[Signed] Muhammad Husni Mubarak, President of the Arab Republic of Egypt

COSTA RICA

PROTEST NOTE SENT TO NICARAGUA ON ATTACKS

PA140138 San Jose Radio Reloj in Spanish 0030 GMT 14 Jun 84

[Text] The Costa Rican Foreign Ministry has sent a strong protest note over the two latest attacks on our national territory, on 9 and 10 June, when clashes were being waged [by the Sandinist People's Army] against counterrevolutionaries. The note demanded that the Nicaraguan Government conduct itself in accordance with its expressed foreign policy.

Acting Foreign Minister Jorge Urbina Ortega has said that more than 15 howitzer shells -- Soviet-made Model D-30, which has a range of 15.3 km -- were found in Cerro Infiernito, Las Tiricias. He added that the aggression was unwarranted and censurable because it was aimed at populated areas, thus endangering the lives and security of Costa Rican citizens. In add tion, Jorge Urbina asserted that the continued attitude of harassment against Costa Rica conflicts with the Contadora Group's negotiations to achieve peace in the area. Part of the protest note lodged with the Nicaraguan Government said that Costa Rica rejects the charge that the Nicaraguan Democratic Force, FDN, is allowed to use our territory to launch attacks on Nicaragua.

Acting Foreign Minister Urbina's statement came after Daniel Ortega said on 11 June that they have information that proves FDN forces are concentrated on the Costa Rican border, 140 km from Nicaragua [as heard]. The protest note reasserted Costa Rica's views and position, mentioning the Contadora Group's Prevention and Supervision Commission as an organization that can ascertain this and disprove Ortega Saavedra's statements.

SOLANO ANNOUNCES NEW SECURITY MEASURES

PA140236 San Jose Radio Reloj in Spanish 0030 GMT 14 Jun 84

[Text] Costa Rican Public Security Minister Angel Edmundo Solano this afternoon said that the seriousness of the current war situation in the south of Nicaragua forces Costa Rica to take special prevention measures in order to maintain the inviolability of its territory. One of these measures is the setting up of a new command in the country's north, specifically in Las Tiricias, San Carlos. Lieutenant Colonel Orontes Luna has been appointed to be in charge of this command. In addition, 50 more armed men have already been sent to the border with Nicaragua in the jurisdiction of San Carlos in order to reinforce our vigilance and security forces in view of increased clashes between the Sandinist People's Army and the Democratic Revolutionary Alliance, ARDE.

Minister Solano also said that according to reports it appears that forces loyal to the Nicaraguan Government have received instructions to (?harass) Eden Pastora's guerrillas stationed near the banks of the San Juan River at all costs. The clashes occurring on Nicaraguan soil near the Costa Rican border are extremely bloody. This indicates a determination to end the rebellion in the south of Nicaragua, Solano added.

Solano also said that Costa Rica will not relinquish its legitimate right to defend itself, but this does not mean that Costa Rica does not trust fully in the peace efforts that the Supervision and Prevention Commission appointed by the Contadora Group might offer.

EL SALVADOR

TREASURY POLICE INTELLIGENCE SERVICE DISSOLVED

PA140347 San Salvador Radio Cadena YSU in Spanish 1800 GMT 13 Jun 84

[Excerpts] The intelligence section of the Treasury Police has been dissolved, and its former members have been transferred to areas of conflict in the interior of the country. This was confirmed by Colonel Reinaldo Golcher, director general of the Treasury Police. During an interview with YSU, Colonel Golcher said that the rumored involvement of these men with the death squads has not been proved. When he was asked about the situation of the S-2, he said:

[Begin recording] [Golcher] Yes, Section 2, as we called it here in the Treasury Police, has been dissolved, as you have already said, but not in the sense of eliminating its members, of removing them from the Treasury Police. No, they have been transferred to certain specific areas in the interior of the country. These are areas of conflict and are subject to attacks by the subversives.

[Unidentified reporter] It could be said that at this moment the Treasury Police has no intelligence service. What will be done in the near future to find new persons who will investigate criminal activities or activities against the state?

[Golcher] Currently there is an impasse. At this moment our security corps does not have an intelligence service, but this is no cause for concern because I understand that all persons working in the field of intelligence must be highly professional. [sentence as heard]

For the time being, we will have to hold meetings with the deputy security minister to decide what will be done, whether we will remain like this or whether we are going to create a highly professional and technical section with duly trained personnel who will meet the requirements of our organization, which are not only combat and the gathering of information on subversives, but also the detection of contraband and all other crimes against the public treasury. [end recording]

RIVERA Y DAMAS REPORTEDLY MET WITH FMLN-FDR

PA140153 Managua BARRICADA in Spanish 11 Jun 84 p 2

[From the "Window on the World" column]

[Text] San Salvador -- Sources linked to the FDR have confirmed that San Salvador Archbishop Msgr Arturo Rivera y Damas met in San Jose, Costa Rica, with members of the FDR's political and military directorate and the FMLN.

According to the sources, the archbishop discussed aspects related to a proposal for an unconditional dialogue made by the FMLN-FDR last week.

Although no further details were given on the topics discussed, FMLN-FDR spokesmen said that Jose Napoleon Duarte's refusal to hold a dialogue would mean a decision to continue the war in El Salvador.

STUDY PROPOSES REFORMS ON WEALTH CONCENTRATION

WA131010 Rome IPS in English 7 Jun 84

[By Luis Albarran]

[Text] San Salvador, June 7 (IPS) -- 114 families control most of El Salvador's major companies, making up an "oligarchy" that illustrates the continuing concentration of wealth in this Central American nation, according to a recent university study. The report, by researchers at El Salvador's Central American University (UCA), recommends a series of political, economic and social measures to correct this situation, which it concludes is the root cause of the country's four-year-old civil war.

The "oligarchy," which includes an especially powerful 14 families that have long dominated the economy, controls 84 percent of all shares, and owns 57 percent of all Salvadoran companies outright, according to the study.

"One hundred percent of the companies with capital of more than $2 million are controlled by the oligarchy," the UCA study reported. "The same group controls 94 percent of the companies with capital of $1.5 to $2 million, 93 percent of those with $1-1.5 million in capital and 84 percent of companies which have $400,000-$800,000," it said.

The UCA researchers recommended that "to end the current conflict permanently and build solid bases for peace, changes are needed in the distribution of the nation's wealth and income." The four-year-old civil war in El Salvador has now claimed about 50,000 lives.

The UCA report, which was drawn up in February as preparations were under way for the presidential elections that put Jose Napoleon Duarte in office, asserted that "to be able to make the changes and maintain them against attacks, a government with a broad social base is needed." The Salvadoran Government must have "the support of the majority, which depends on certain political steps," the report said. These include "ending the repression and violation of human rights," it adds. "For this, the Armed Forces must be subjected to a total purification which will divide its ranks and will mean judgment of those responsible for human rights violations and for having handed over the (military) institution to the oligarchy," the UCA said.

The second step must be "political recognition of the opposition groups in the FMLN-FDR," the study said in reference to the Farabundo Marti National Liberation Front guerrillas and their political allies, the Democratic Revolutionary Front. "A true state of law must be installed," the report said, "And finally, the search for a broad national dialogue is urgently needed."

As specific measures to stabilize El Salvador, the UCA study recommended that economic and agrarian reforms, which were introduced in 1979 but have been stalled for years, be reactivated and broadened. The unequal distribution of wealth has seriously harmed El Salvador's economy, the report added. There are predictably huge disparities between workers' and employers' earnings, and incomes in the business sector also vary widely, the UCA analysts found. The 114 large shareholders -- who are less than one percent of registered property owners and less than .001 percent of the workforce (set at 1.4 million people in 1981) -- earn more than $8 million a year each, accounting for 35 percent of total national income.

The UCA document cites a 1980 Planning Ministry report, finding that in 1976-77, 62 percent of Salvadoran families (2.5 million people) shared total income equal to only 28.7 percent of the nation's income. The ministry reported that 240,000 people earned month incomes of more than $400, taking in 28.3 percent of national income. Between 1971 and 1979, "for each colon (the national currency) of income which the Salvadoran economy generated, the owners of production companies took in 56 centavos (.56 of one colon)," the UCA report said.

In that period, 18 of every 1,000 Salvadorans were shareholders. On the average, a business owner earned 68 times more than a worker.

The imbalances among business owners are also dramatic. The UCA reported that 79 percent of the shareholders in small businesses earn only 12.8 percent of the total shareholders' income, while middle-size shareholders take in 24.3 percent, and large shareholders make 62.8 percent.

In a study of the main areas of the Salvadoran economy, the UCA found that 2,271 large companies are responsible for 45 percent of total production. Of the "giants," 102 companies, just one percent of total firms, control 69 percent of all manufacturing. In the trade sector, 126 companies make 46 percent of all sales.

The agricultural sector is also dominated by the large firms, which earn 84 percent of sugar and coffee profits, 64 percent of profits in construction, 45 percent in transportation, 75 percent in cacao, 79 percent in cotton and 61 percent of livestock profits.

FDR'S CALLES ON DIALOGUE WITH GOVERNMENT

PA132212 San Salvador Radio Cadena Sonora in Spanish 2100 GMT 12 Jun 84

[FDR Vice President Eduardo Calles interviewed via telephone by unidentified reporter; date and place not given -- live or recorded]

[Text] [Reporter] We would like you to tell us something about the FDR's stance regarding a solution to the country's problem.

[Calles] First I would like to express our gratitude to Cadena Sonora for its positive and impartial attitude that allows us to explain our front's stance to the Salvadoran people. It allows us to clarify, before the Salvadoran people, our political stance.

[Reporter] Speaking of the problem in Central America, specifically in El Salvador, the Contadora Group recently visited our country and several other Central American countries. What are the FMLN-FDR's views on the Contadora Group?

[Calles] We believe that Contadora continues to be the only hope, or only path open, for political work or for a political (?decision) in favor of a peaceful solution to the conflict experienced by the region in general and our country in particular. We continue to view Contadora's efforts as positive even though we continue to insist that the Contadora Group should give special attention to the Salvadoran case. We also believe that there should be a clearer indication of the U.S. responsibility in this Central American conflict.

[Reporter] Regarding the Contadora Group, it is said that the countries have already received the draft of their document, and that the final document will be issued in July. Will the FMLN-FDR accept the measures that the Contadora Group will adopt in their final document for peace in the Central American region and in El Salvador

[Calles] It stands to reason that we would have to adhere to specific agreements between our front and the Salvadoran Government. We cannot adhere or accept, in general terms, resolutions that are general in nature. Our problem is clear and specific, and it has its own roots, and although we feel that these advances are positive and not negative, we do believe that the solution to our conflict must come through the direct participation of the parties involved in the Salvadoran conflict -- our fronts, the Salvadoran Government, and, as we said recently, the U.S. Government.

[Reporter] Mr Calles, as FDR vice president, as a member of the FDR and of the FMLN, we understand that your organization and President Duarte has asked the Costa Rican president to act as mediator in the Salvadoran conflict. From your viewpoint, what would this mediation involve?

[Calles] We met recently with Costa Rican President Monge. We told him of our willingness to begin, immediately, a dialogue with engineer Duarte's government without prerequisites and with an open agenda. This does not mean that we have a list of specific subjects we wish to discuss. Logically, we are interested in modifying the structures that will resolve, from its base, the crisis that our people are experiencing.

President Monge told us that engineer Duarte had told him that he is willing to hold a dialogue. He also authorized us to make this statement. We view this as positive. We are interested in Costa Rica's attitude. We made a serious suggestion, and there is willingness to advance or explore the area of dialogue to find a peaceful solution to the crisis. However, we said it in the past and reiterate it today: This is in contradiction with the public statements made by engineer Duarte. We issued a statement in regard to engineer Duarte's inaugural speech and his statements to the press. We are truly worried about this double stand, his private stand that displays his willingness and his public stand in which he is clearly hindering the dialogue. He is proposing conditions that are unacceptable. Still, we have only heard his public statements, and we have received no direct statement from the Duarte government that we could consider. The FMLN and the FDR have said that they are open to a counterproposal from the Duarte government. Despite Duarte's ambiguities, we still express our willingness for dialogue.

[Reporter] Speaking of ambiguities, a few days ago your organization mentioned Jose Napoleon Duarte's ambiguous stance regarding a possible dialogue with the FMLN-FDR. Has this stance changed?

[Calles] No, it has not been modified. As I just told you, we have not heard directly from Engineer Duarte. We have only heard his public statements. In his public statements he says that he is willing to hold a dialogue, but not a dialogue with weapons in hand. Meanwhile, he continues negotiations to increase U.S. military aid for the country, for his government. By doing this he is only showing that he is commander in chief of the Salvadoran Armed Forces. We view this as ambiguous; he is willing to hold a dialogue, but also places obstacles for this dialogue. For example, in his inaugural speech he suggested the most absurd prerequisite. He practically suggested that the revolutionary forces lay down their weapons prior to the dialogue. This is absurd, just as absurd as asking him to resign from his office before we begin a dialogue. This is how we view Mr Duarte's stance.

[Reporter] Mr Calles, on this same subject, during a recent press conference Mr Duarte said that the FDR's political front had no power over the military front, the FMLN. As vice president of the FDR, what can you tell us about Mr Duarte's statement that you act politically but have no power over the military forces operating in the country?

[Calles] I do not know if this was an ill-intentioned or ignorant statement. He separated our fronts as if one were strictly political and the other only responsible for military matters. We are a two-front alliance, one front carrying out the military war and the other front that does not participate in that activity. However, this does not mean that the FMLN is exclusively involved in military matters. Jointly with the FDR, the FMLN is developing political and diplomatic actions within the country. There is no hegemony of one front over the other.

We have an alliance that is so strong that all decisions, all the important resolutions, statements, definitions of guidelines, and political strategies, even some military aspects, are discussed, and this is how decisions are reached. Decisions are reached by means of a full political discussion without the hegemony of one front over the other.

[Reporter] Mr Eduardo Calles, vice president of the FDR, I would like to ask another question regarding the FMLN's activities. These have recently been stepped up. Only recently some international news agencies mentioned an upcoming FMLN offensive. What can you tell us about this?

[Calles] The war has its own dynamics. Logically, we are making every effort to find a political solution through a dialogue. We are putting forth every effort, not out of weakness or as a maneuver, but because we feel that this would decrease the social costs to our people and would eliminate the risks of aggravating the conflict. We feel that the way things are today, the interventionist escalation of the Reagan administration could lead to a massive and direct intervention that would even eliminate the Duarte government because it would become a mere figurehead. We are truly concerned about all this, and we are putting forth all our efforts to find a political solution; but if this is not possible, then the war will continue advancing, following its own dynamic. We are not trying to mix the war with a political maneuver. Our suggestion for a political solution is a serious matter. We believe that a dialogue is not something that can be taken lightly. If this fails, if the banner of dialogue is destroyed, all we will have left is to expand the war, to expand the war with (?all we have). This is why we do not handle the subject of dialogue lightly or irresponsibly. We make serious and realistic suggestions that, if accepted, could truly lead us to a solution with lower social costs to our people, and one that would eliminate all the risks I have mentioned.

[Reporter] Regarding the installation of Jose Napoleon Duarte's government here in the country, have you had any contact with a government official to discuss your meeting with the Costa Rican president and Costa Rican officials?

[Calles] Not so far. There has been no direct contact.

[Reporter] Another question, Mr Eduardo Calles. It was recently learned that Dr Vides Casanova, the brother of Defense Minister General Eugenio Vides Casanova, was released. The name of the group that kidnapped him was not known, but after he was released, in an alleged exchange, it was learned that he had been kidnapped by the FMLN. As vice president of the FDR, can you give us any information on this? Was there an exchange?

[Calles] Unfortunately, I can give you no information on this. We learned of this through the press. We could somewhat explain it by referring to the root of the problem. We regret these situations. We believe that despite the conflict, despite the harshness of the conflict and the war waged by our people, we should advance in the area of human rights. We believe that it would be extremely positive if there could be an end to the kidnappings, unjustified detentions, and tortures. I am convinced that the FMLN would be willing to advance in this direction if the government, specifically the Army, was willing to do the same. As I said, I cannot give you any specific information because we learned of this through the press and have not had the opportunity to discuss the matter. In general, that is our stance.

[Reporter] Mr Calles, recently the Catholic Church made a call for an end to the forceful recruitment of youths being carried out by the FMLN in various areas of El Salvador. This call was heard, and we would like to hear your opinion of this.

[Calles] Here again we have a situation that has not been handled in a completely realistic manner. The truth is that in El Salvador there is a duality of power. Today we can speak clearly of a revolutionary army and of a governmental Army. To deny the revolutionary army its right to recruit is as illegal as denying the governmental Army its right to recruit. But there is a difference, because the revolutionary army does not hold anyone by force. Recruiting actions may have taken place, but definitely no one is held by force for two fundamental reasons: We need combatants with the necessary morale to face the difficult conditions experienced in the struggle, good physical condition and high morale; and second, there is no way to hold on to someone who is not determined to fight for the rights and aspirations of his people. Out in the country the revolutionary army does not have high walls or garrisons to keep these people in. Therefore, we cannot speak of some sort of kidnapping or forceful recruitment into the revolutionary army. However, this is something that does happen within the governmental Army. Anyway, things are so polarized nowadays that the youths only have two choices: They either join the people's forces or risk being recruited by force into the governmental Army or being murdered, arrested, and so forth -- subjected to these forms of repression. That is the real situation, and it is how I feel it should be viewed. Anyway, there is no type of forced recruitment. What we have is FMLN forces doing political work to get the youths to join the ranks of the FMLN.

[Reporter] Does the FMLN adopt the same measures the governmental Army does?

[Calles] Logically, no. That is what I was trying to explain. There is a very significant qualitative difference. It is not possible to hold a person by force. We do not use the kidnap mechanisms; we do a kind of political work. No one can be held against his will out in the country. Out there we have no high walls. All we have is open space and trees. If someone wants to leave, he can do so. On the other hand, we would have no guarantees of the person's fighting morale. That is the situation our youths face; they either hear the call of the revolutionary forces -- on the front, recruiting is a call to join the ranks -- or he faces the great risk of being recruited by the governmental Army and forced to fight against his people.

[Reporter] Thank you Mr Calles. Radio Cadena Sonora listeners this was a special interview with Eduardo Calles, vice president of the FDR, on the political situation of the country and the Central American area.

VENCEREMOS REPORTS ON REBEL OPERATIONS

Northern San Miguel Actions

PA130457 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 13 Jun 84

[Text] Attention, this is a report received from the Commander Lilian Mercedes Letona Northern Group of the Rafael Arce Zablah Brigade, BRAZ.

We report that on 1 June Colonel Domingo Monterrosa's troops began an operation against the northern San Miguel region, in which the Ponce and Leon Battalions are participating. During this operation, our forces have clashed with the enemy at various points, inflicting approximately 10 casualties on the enemy, including 1 cadet lieutenant and a corporal.

At Espiritu Santo farm, near Sesori, in the place known as (El Reten), guerrilla units activated a mine killing one member of the Ponce Battalion and seriously injuring three others. In addition, several mines were activated against units of the Leon Battalion who were heading toward Ciudad Barrios, injuring five, including the lieutenant cadet and the corporal.

Furthermore, guerrilla units staged a surprise attack on troops of the Ponce Battalion near the Espiritu Santo farm, while they were moving from Nuevo Eden de San Juan to Sesori, on a vast combing operation to steal the cattle from the humble population in the area.

While the Domingo Monterrosa troops idled in northern San Miguel, a BRAZ guerrilla unit dislodged enemy troops guarding the Chapeltique power substation, and destroyed it completely. At the same time, other troops took control of the Pan-American Highway, near the turnoff to Nueva Granada, where they erected barricades disrupting traffic for several hours.

More on La Union Ambush

PA131545 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 13 Jun 84

[Text] Here is a report from northern La Union Department on the ambush that the FMLN carried out on Monday, 11 June, 2 km south of Anamoros. Until then, the enemy had believed that its operation in northern La Union had forced the FMLN forces to disperse.

The FMLN unit ambushed the rearguard of a unit of La Union's (Conchagua) Battalion on Monday, 11 June at 0730, in Tulima, as it was traveling from Santa Rosa de Lima to Anamoros. The ambush took place while new units were being sworn in to the (Fonseca) Battalion in Anamoros. The ceremony, attended by La Union's (Fonseca) and (Conchagua) Battalions, was thrown into confusion as a result of the FMLN's action. The ambush resulted in 43 enemy casualties, including 15 dead and 28 wounded. The (Fonseca) Battalion, including its newly sworn-in units, fled in total disarray in the direction of El Sauce, finally stopping near El Amatillo, on the military route located on the Honduran-Salvadoran border. The La Union military leaders sent trucks to retrieve the troops who had fled Anamoros, demoralized by the sharp blow inflicted by our rebel army.

Meanwhile, the demoralization and terror that permeated the enemy's ranks prompted the (Conchagua) Battalion to flee in disarray as well, in the direction of El Carbonal. They emerged at the Agua Caliente turn-off, on the military route near Santa Rosa de Lima. Thus, two enemy battalions, demoralized and terrified by the ambush that resulted in 43 casualties, fled in disarray to the El Amatillo border point and to Santa Rosa de Lima. It was reported that the enemy units were completely worn out by their race for safety.

Reports have indicated that the dictatorship had announced that its operation in northern La Union succeeded in dislodging the rebel forces from this area. The Armed Forces Press Committee [COPREFA] reported that norhtern La Union had been freed of rebels. This blow exposes COPREFA and the blabbermouth Vides Casanova. We learned that after the successful ambush and after the enemy battalions fled Anamoros in disarray, FMLN forces occupied the village of Anamoros from early in the afternoon until Monday night. Reoorts also state that Colonel Vasconcelos, commander of the (Fonseca) and (Conchagua) Battalions, was wounded. We repeat: Col Vasconcelos, commander of the (Fonseca) and (Conchagua) Battalions, was wounded during the action.

Attack on San Miguel Town

PA140355 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 Jun 84

[Text] This morning FMLN forces took the town of Comacaran in San Miguel Department, making the dictatorship's paramilitary forces flee in disarray. Our units sabotaged National Administration for Telecommunications [ANTEL] facilities, and after carrying out political objectives with the people our companeros withdrew.

In the attack on Comacaran this Wednesday, our people in arms carried out several political actions, explaining to the people of Comacaran in San Miguel the advances of our Salvadoran revolution. At 0530 our forces took control of the military route in the vicinity of (Santa Luisa) canton and made a barricade of (?official) cars, blocking the highway until 0900. Simultaneously, the FMLN forces, at 0830, detonated a shaped charge against a military vehicle carrying troops to the town of San Carlos at km 18 on the military route. So far, the number of casualties is unknown.

From our guerrillas camp, we want to send a revolutionary salute to the FMLN guerrilla units who this Wednesday took the town of Comacaran in San Miguel Department.

In coming broadcasts we will give further details on the taking of the town of Comacaran, where our forces have carried out diverse political activities with the people of the town.

VENCEREMOS WARNS OF DISEASES WITHIN ARMY RANKS

PA082152 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 8 Jun 84

[Excerpt] One of the most onimous consequences that the presence of U.S. soldiers has had for Honduras and Central America is the propagation of several diseases. These diseases include the Vietnam flower, the homosexuals' disease [Acquired Immune Defficiency Syndrome, and hemorrhagic dengue -- which caused the deaths of several soldiers of the Atonal Battalion after they had homosexual relations with U.S. soldiers.

Colonel Napoleon Calito and his troops, the Atonal Battalion, will soon return to El Salvador -- bringing with them those terrible diseases. Hence our people, especially the other soldiers of the Salvadoran Army, must know about the fatal consequences if they contract these diseases -- which could spread to all those sent to Honduras for training with the U.S. soldiers. These diseases can be contracted by soldiers who have contact with Col Napoleon Calito's troops, the soldiers of the Atonal Battalion, which will soon return to El Salvador.

HONDURAS

PARTY LEADER ON SHULTZ MANAGUA VISIT, 'SERVILITY'

PA131747 Tegucigalpa LA TRIBUNA in Spanish 12 Jun 84 p 2

[Text] According to Alfredo Landaverde, president of the Honduran Christian Democratic Party, the unexpected visit to Nicaragua by U.S. Secretary of State George Shultz and his meeting with Daniel Ortega Saavedra, commander of the Sandinist government junta, have been viewed with suspicion.

"One must realize that when Shultz, as the representative of the world's foremost economic and military power, goes to talk with the Nicaraguan Government, even though what they discussed is unknown, such a meeting requires that we think a lot about our political situation."

"Shultz," Landaverde said, "went to Nicaragua to meet with the Sandinists, while we, who have been U.S. servants, have not had the ability to negotiate on our own."

The visit to Nicaragua by the U.S. Secretary of State, he stressed, is a signal to all Hondurans and a clear warning to Roberto Suazo Cordova's government.

Landaverde said that "this means that we do not have the ability to negotiate anything on our own and that General Walter Lopez' message was on target when he said that 'we will handle ourselves with caution.'" "With Shultz' message to the Nicaraguan Government," Landaverde added, "the Hondurans and their Armed Forces must be cautious, because we could have our own Bay of Pigs, just as the Cubans did, and we might be left without the aid of our 'ally,' the United States."

On the current situation, Landaverde said that "the Hondurans are involved not in a situation of colonialism but in one of servility toward the United States. Colonialism would not exist in Honduras if we did not have servile officials in our political and military sectors." Landaverde reiterated that "certain U.S. representatives and senators are more proud of Honduras' dignity than are some people here in the country, for what the North Americans are doing for their interests is one thing, while what the country's servile officials are doing is something else entirely."

Landaverde maintained that Honduras' relations were damaged rather than improved by Shultz' visit to Nicaragua, "for how can the world's most underdeveloped nation, next to Haiti, face the United States at the diplomatic level?" "I believe," he emphasized, "that the only way to deal with the United States is not materially but morally, and in this regard there is much to criticize our current administration for."

He said that, in pragmatic terms, "we must admit that our relations with Nicaragua will remain as tense as ever, for such a situation is not easy to change with the mere utterance of nice words."

"Meanwhile," he stressed, "the so-called Security Council -- whose operation is illegal, because it has no regulations and falls under no one's command -- continues to dictate the country's national and international policy, and continues to include the same personages who surrounded the ousted commander in chief of the Armed Forces, General Gustavo Alvarez."

BUSINESSMEN CONCERNED OVER ECONOMY, SEEK DIALOGUE

WA141230 Rome IPS in English 12 Jun 84

[By Manuel Torres]

[Text] Tegucigalpa, June 12 (IPS) -- Honduras' private business leaders, worried that the country's worsening economic situation may lead to internal violence, have launched an initiative for negotiations among political parties to calm the tensions.

The Chamber of Commerce and Industry in Tegucigalpa, the capital, called for a "dialogue for national unity" on the economic crisis at the beginning of June. A first working session drew together top figures in the four recognized political parties, including the ruling Liberals.

All the participants agreed that Honduras is now suffering its worst economic crisis in history, and that the strains threaten to aggravate the instability and violence that is now rampant throughout Central America. Some 300,000 people are now jobless, and 600,000 work only occasionally in this country of four million. The minimum salary, 75 U.S. cents per day, is not enough to buy even one-fourth of the basic Honduran daily diet. The country is holding about $2 billion in foreign debts and a budget deficit of more than $300 million. The private sector has been heavily dependent on foreign loans, but has not been able to emerge from a recession that began in 1979 and has caused hundreds of bankruptcies and massive firings.

A severe lack of foreign exchange has forced the government to cut back on imports, of which 75 percent are raw materials. This has made it almost impossible to reactivate the economy. In 1982, Honduras imported $1.217 billion and exported only $760 million. Two years earlier, imports reached $1.308 billion compared to $950 billion in exports.

The Liberal Party government of President Roberto Suazo Cordova, in office since January 1982, is now negotiating a new accord with the International Monetary Fund for 1984. And that agreement will mean further austerity measures, which are certain to meet with widespread public disapproval.

On June 1, the administration imposed a new tax package that raised the ire of the country's middle- and low-income sectors.

Political analysts here agree that recent protest demonstrations, tenacious opposition from the labor movement and dissatisfaction in the business sector are clear signs that Suazo Cordova no longer has the "blank check" he won in the 1981 elections.

Jose Maria Betancourt, president of the Chamber of Commerce and Industry, reports that "our organization is worried, and thinks dialogue is needed to seek adequate solutions to the political, social and economic problems." "Civic values have been lost in the country," he said, "and the majority classes have been enormously neglected."

In the talks with political leaders, the chamber stressed that economic efforts must now be directed at maintaining political and social stability in Honduras.

One industrialist told IPS, "we have learned the lesson of Nicaragua and El Salvador.' "We know that we (the business sector) can't remain a closed-off compartment while the rest of the country burns up," he said.

The politicians who met with chamber members were impressed by the business sector initiative. Mario Rivera Lopez, a presidential hopeful of the rightist National Party, said, "I see a totally different private business sector, which is showing great social consciousness amid the crisis." "We have to respect the working class," he said, "and seek alternative solutions, because the democratic system is in crisis."

This view was shared by Guillermo Casco, secretary general of the centrist Innovation and Unity Party (PINU), who pledged support for "criteria that unite us in this difficult hour."

In Tegucigalpa, political and business leaders have obviously taken note of the growing public dissatisfaction with economic conditions and the rising opposition movement. The unrest has led to a series of armed clashes this year between landless farmworkers and landowners. Some 156,000 Honduran families of peasant farmworkers own no land, according to a report by Jilio Mendez, a PINU legislator and president of the country's strongest farmworkers' union.

Unionized workers in other sectors are mobilizing in Honduras' main cities to form a united labor front to defend their interests and put a halt to the continuing firings.

Some business people are now arguing that the social and political disturbances require a formula of "more reforms, less repression."

The business leaders' call for national dialogue, an initiative which usually comes from the government, is aimed at finding a valve that can ease the increasing social pressure.

NICARAGUA

FOREIGN MINISTRY ADDRESSES VENEZUELA ON PASTORA

PA132305 Managua Domestic Service in Spanish 2225 GMT 13 Jun 84

[Foreign Ministry communique issued in Managua on 13 June, read by Foreign Ministry public relations chief Manuel Espinoza]

[Text] The Foreign Ministry reports that today a note has been sent to the Venezuelan foreign minister expressing the Nicaraguan Government's deep concern over the facilities and support given to mercenaries Eden Pastora and Roberto Chamorro in Venezuelan territory.

The note indicated that the mercenary leaders are in the private Metropolitan Clinic and have broad facilities that include police protection and the possibility to hold the press conference that was held on 11 June. In that press conference, mercenary Pastora expressed his intention to continue his armed activities in Nicaragua. Coinciding with the presence of these mercenaries, there has been an increase in the telephone threats against the personnel of our embassy in Venezuela.

The note also refers to the mediation work that the Venezuelan Government is so nobly carrying out through the Contadora Group's diplomatic efforts, pointing out that it is incompatible with the activities carried out by the mercenary leaders.

The note concludes by stating that the Nicaraguan Government trusts that the Venezuela Government, for the good of strengthening our mutual relations and the Contadora Group's peace efforts that might be affected by activities such as the ones described, will understand and justly value the justified concerns of the Nicaraguan Government in such difficult moments for the future of peace and peaceful coexistence in the Central American region.

RAMIREZ ON CONTRAS' IMPACT ON COSTA RICAN TIES

PM131454 Madrid EL PAIS in Spanish 1 Jun 84 p 4

[Article by Junta of the Government of National Reconstruction member Sergio Ramirez Mercado: "Costa Rica and Nicaragua"]

[Text] Over the past few days I have been talking on the telephone with long-standing Costa Rican friends from among the many whom I keep, and I would like to repeat here some of the concerns which we shared in those conversations.

One of them told me that good sense has been placed on the defensive in Costa Rica as regards relations with Nicaragua, and no sensible opinion can be expressed, even by government officials or political leaders, except with a feeling of insecurity, created by a deliberate attitude on the part of the news media and of most of those who write in their pages to form opinion.

I am in the habit of reading the Costa Rican newspapers and I listen to some radio stations' broadcasts, and I really wonder how it is possible that constant incitement to confrontation with Nicaragua has not produced even more disastrous effects than those which have already been achieved.

What I mean to do here is not to examine the mechanisms of that virulent propaganda but to make some reflections, to draw the attention of so many Costa Ricans, who may be bewildered by that constant journalistic agitation, to what relations between Nicaragua and Costa Rica really should be like.

In the first place, relations between our two countries should be looked at in the long term and with a view to permanence. We are living in Nicaragua at the dawn of a young revolution and the profound changes produced in Nicaraguan society by this revolution are only just beginning to be consolidated. We still need time for the fruits of this process to finish maturing; the FSLN is rapidly developing as a political force, and we are certain that, as a party, we will win the coming elections.

It is therefore illusion and folly to make the Costa Ricans believe that Nicaragua's internal situation can be changed from Costa Rica, or that by bringing the two countries into confrontation some ideas or conceptions can be imposed on us in order to influence, modify, or completely change what we are choosing as a social way of life and of conduct. It has never occurred to any sensible Nicaraguan that it is our duty to change Costa Rica's political system and replace it with another which would be more in keeping with our thinking. As far as we are concerned, Costa Rica will remain there, sovereign, with its own democratic system and its balanced institutions; that is the system which the country chose after the 1948 armed revolution, and it was the Costa Ricans to whom it fell at that time to take up arms in order to change what they did not like or what seemed wrong to them, just as we did in our country years later.

The revolutionary regime in Nicaragua is a stable regime, above all because it enjoys the support and approval of the vast majority in the country. We have suffered attack after attack by thousands of men organized into the counterrevolutionary forces, much better armed and equipped than we Sandinists ever were when we were struggling against Somoza with few weapons and scant resources, and in military terms we have not suffered a single retreat, even though the U.S. arsenals' doors are open to our enemies; it is therefore illusory to believe that a military undertaking encouraged from outside and attacking us over the borders will bring about a rapid entry by the counterrevolutionaries into Nicaragua, and that then the peace which the presence of so many armed counterrevolutionaries takes away will return to Costa Rica's soil the very next day; that presence has already existed for over 2 years and is tending only to continue.

Since that is not possible, and we will always be driving them back over the border, as we have done so far, the problem of the instability created by that armed presence in Costa Rica, far from being resolved, will tend to intensify. In the long run, mercenaries, adventurers, and soldiers of fortune become a grave burden that affects a country's social and economic life and a real source of disturbance for a peaceful and calm nation with stable institutions, especially if they have no prospect of advancing or leaving it. So they ultimately disrupt that country's social relations and its citizens' lives, and necessarily become intolerable because of their own mercenary conduct, however many dollars they may spend freely in restaurants, gambling houses, and bars, and however many boasts of triumph they make.

One of the most important mainstays of Costa Rican civil life, if not the most important, has been the fact that public order is maintained without arms, under the rule of law, and that is the most estimable characteristic of its political Constitution -- the institutional abolition of an army. I say this from a country that would like to have no army or defense expenditure, or to have to watch its borders, but which is daily suffering so many external attacks, which have already cost us the lives of hundreds of Nicaraguans and millions [currency unspecified] in destruction.

The problem that I foresee for Costa Rica and that it is sensible Costa Ricans' responsibility to stop right now is that it is beginning to seem natural to tolerate a mercenary army's using its territory, imposing itself by force or cunning against the will of its legitimate government in order to operate in that territory. In the course of history, mecenary armies have always finally turned their guns in some way against the country they use, and when they lose all hope of advancing over the border, they begin to attack that country's stability and institutions.

Border Security

Since there is no prospect of the counterrevolutionaries marching into Managua, they will have no alternative except to begin to distort Costa Rica's peaceful life, interfering in the Costa Ricans' civil practices and attempting to impose themselves and to dictate rules of conduct to those who believed that they were incurring no danger in receiving them.

Before it is too late, let us make this reflection: The border between Costa Rica and Nicaragua would be secure and peaceful if there were not all those unlawfully armed people along it. Can the public of a well-educated country like Costa Rica really believe that all those gangs are on the Nicaraguan side, that their helicopters and aircraft use landing strips on Nicaraguan territory, and that the top leader of them all talks constantly by radio telephone with the San Jose news media from Nicaragua's mountains? I know the Costa Ricans as well as I know the Nicaraguans, and I know that no one in Costa Rica would accept those assertions without an ironic smile, unless the constant weight of propaganda is forcing many people to close their eyes, in the hope that matters will be settled soon.

Once more, that possibility does not exist. Sooner than destabilize Nicaragua, whose internal stability depends not on the border raids but on the support and approval the people will express in the coming elections, the counterrevolutionaries will end up destabilizing Costa Rica, endangering its traditions and practices, its customary security, the stability of its institutions, and public peace. The weapon which, under the Constitution no one is allowed, could not be in worse hands.

When President Monge proclaimed his doctrine of neutrality, we Nicaraguans found that the synthesis of the traditional Costa Rican good sense at difficult moments had been achieved once more. The obstacles to the Monge doctrine have been created deliberately in order to thwart it and to ensure that tensions continue to increase to the point of confrontation.

Some people will believe -- I told my friends -- that it is worth taking the risk because at any event the Sandinists will be defeated soon, and then there will be a regime in Nicaragua with which no doctrine of neutrality will be needed, since understanding will be complete. This is also a deliberate mistake or a cunning argument.

We remain here on the other side, prepared for long-term agreement and lasting understanding and the creation of permanent security conditions for other countries. When people talk to us about the possibility of severing relations, we view it as a real folly, not to mention greater confrontations. [sentence as published] We respect the Costa Ricans, believe in their good sense and patriotism, and believe that no one has the right to endanger their internal peace and their stability.

COMMENTARY URGES COSTA RICA TO CONTROL CONTRAS

PA132246 Managua Radio Sandino in Spanish 1830 GMT 13 Jun 84

[Station commentary]

[Text] Nicaragua has asked Costa Rica to reduce and control mercenary groups in its territory. Armed provocations from Costa Rican territory have continued, and this endangers Costa Rica's neutrality. In a communique dated 12 June, the Nicaraguan Foreign Ministry reports constant attacks with mortars by mercenary groups stationed in Costa Rican territory, especially pointing out the areas of El Cerro, Las Mercedes, and (Aguas Frescas), from which our positions in Machuca and (Aguas Frescas), 17 km southwest and 12 km southeast of the El Castillo, respectively, in Rio San Juan, are shelled.

This is a situation that under no circumstances should be tolerated by the authorities of the neighboring southern country, if it is truly serious and has the intention and desire to contribute to preserving peace between the two nations. Good words and flowery speeches are not enough; vigorous control has to be exercised over these groups that are trying to harm our relations. It is a dangerous game that has to be stopped immediately, to the satisfaction of both sides.

HUMBERTO ORTEGA ADDRESSES MILITARY STUDENTS

PA132122 Managua Domestic Service in Spanish 0300 GMT 13 Jun 84

[Text] You are proving that you are deserving children of both Zeledon and Sandino by fulfilling your sacred duties to the homeland and defending its national sovereignty, instead of becoming turncoats and traitors on behalf of the bourgeoisie. Commander of the Revolution Humberto Ortego Saavedra, member of our National Directorate and minister of defense, thus spoke to the boys who are in the Patriotic Military Service at the Heroes and Martyrs of Pantasma Military School of Instruction. Here is Ortega's statement:

[Begin Humberto Ortego recording] We are touring Region 6 -- known as Zone 3 in the Army system -- to outline, (?on behalf) of the Army command, the various plans and military tasks we face, mostly as a result of the intensification of the open war imposed on us by the U.S. Administration.

We also wanted to come here to review the various problems, needs, and tasks of this military training center, where you are receiving both your military training and your revolutionary training.

In the report prepared by our companeros in this center, we have found the warmth and the patriotic and revolutionary spirit that motivate the judges, officials, instructors, and, most important, that motivate you, the young people engaged in the Patriotic Military Service, who have taken a step forward, a firm step toward defense of the fatherland, the revolution, and the interests of the poor, the humble, the workers, and the peasants. This is the fundamental interest that moves us as revolutionaries. This is the reason that the Yankees, the bourgeois of the past, the traitorous bourgeois who are still left in Nicaragua, those who want us to go back to the past, the past that left us in such poverty -- a poverty with which most of you are familiar because you come from poor, peasant, and working families -- this is why they want to destroy us and our revolution. Those who yesterday left us poverty, suffering, and crimes -- the Yankees, and the local bourgeois -- want us to return to the past. They have not allowed us to reconstruct the country in accordance with the (?new) interests of this revolution, which are basically the patriotic and revolutionary interests of the poor.

We want to create a society with fewer problems for our workers, with better living conditions for our workers. It has been hard to carry out this task, not only because the country that we inherited had been destroyed by past exploitation, but because of other factors with which you are all familar, like the 1972 earthquake here in the capital, and, above all, because of the war that we were forced to wage to defeat Somoza and to be independent from the Yankees. After the victory, we sought to peacefully reconstruct our homeland. But what has happened? The plans to leave poverty behind and to build a new society with fewer difficulties for our people have been affected by the Yankees' desire to force us to return to the past.

In this military training center, we have found, first of all, the patriotic and revolutionary fervor that characterizes our people, represented mostly by young people like you, who, like the children of Sandino and Zeledon, have decided to be honorable and patriotic, but never traitorous, cowardly, or servile to the exploiters and the bourgeois. [end recording]

COMMANDER COMMENTS ON MILITARY SITUATION

PA140420 Managua Domestic Service in Spanish 0300 GMT 14 Jun 84

[Text] Guerrilla and Brigade Commander Manuel Salvatierra today said that the electronic espionage by the "Grenadier I" military exercises is an important source of information for the counterrevolutionary forces operating in the country. The "Grenadier I" maneuvers, which ended a few days ago, involved more than 5,000 U.S., Honduran, and Salvadoran soldiers. The second phase of the maneuvers included an air-transported attack on the Jamastran airstrip, a Honduran town located 20 km from the Nicaraguan border.

Commander Salvatierra, chief of the military general staff of Region 3, evaluated the confrontations with the counterrevolutionary forces in the past 2 and 1/2 months. The offensive launched in early March from the northern border suffered strong blows, but the military chiefs of our Sandinist People's Army [EPS] believe that the counterrevolutionaries' activities have not been neutralized. Our EPS high command believes that there is a respite at this moment because the regional commands are reorganizing. In the next few weeks more actions will occur, and Commander Salvatierra said that these attacks may be even greater.

During the more than 150 confrontations that have taken place during this period, the counterrevolutionaries have suffered more than 800 casualties. Their force is calculated at 6,000 men. During this period the most important attacks by the invaders were against San Rafael del Norte in early March, Waslala in early April, and the attempt to occupy Ocotal on 1 June. Despite the relative calm experienced at the war fronts, important clashes have been reported north of San Jose de Bocay. However, the military chief did not specify the strength of these operations.

Commander Salvatierra described the situation as a long-term war in which more efforts, resources, and political determination will be needed. He stressed that the Sandinist People's Militia will continue to be the main force for the priority actions against the enemy.

NUNEZ DENIES ELECTORAL SCHEDULE TO BE ALTERED

PA131857 Panama City ACAN in Spanish 1739 GMT 13 Jun 84

[Text] Managua, 13 Jun (ACAN-EFE) -- State Council President Carlos Nunez has declared that only a "direct U.S. attack" could stop the advance of the electoral calendar in Nicaragua.

In a speech at the State Council, Nunez stressed that "there is no intention among the Sandinists to postpone the elections."

The Nicaraguan Government announced that the elections for president, vice president, and national assembly seats will be held here on 4 November.

On Tuesday Nunez denied an unofficial report that the government was planning to postpone the elections until January 1985. According to Nunez, "no such plans" to change the date of the elections exist.

"Only a direct invasion by U.S. imperialism could alter the electoral calendar," the State Council president maintained.

He added that the Managua government is determined to hold the elections, "as a way of consolidating the process of changes that the country is experiencing."

The registration period for candidates for the November elections began on 25 May, but no political party has yet registered anyone.

According to the electoral calendar announced by the Supreme Electoral Tribunal, the electoral campaign will begin on 8 August and will end in late October.

Opposition sources have said that the FSLN is applying certain "antidemocratic methods" and is trying to "corner" dissident parties, to force them to abstain from participation in the elections.

Adan Fletes, national adviser of the Nicaraguan Social Christian Party, said that "there is no enthusiasm among the people about registering and participating in the elections" in Nicaragua. According to this dissident leader, the FSLN "is afraid of an ideological debate and the discussion of hot issues in the country."

"The FSLN," Fletes noted, "has realized that, given the political cost of allowing the opposition to participate and that of forcing it to abstain, it is better -- facts have proven this -- for the government if the opposition does not participate in the November elections."

CNPP GRANTS LEGAL STATUS TO SEVERAL PARTIES

PA131718 Managua Domestic Service in Spanish 0300 GMT 13 Jun 84

[Text] Today the National Council of Political Parties, CNPP, recognized the legality of the Democratic Conservative Party of Nicaragua, PCDN, directorate headed by Enrique Sotelo Borgen. CNPP President Hugo Mejia announced at a press conference that the conservative directorate led by Miriam Arguello, which has been declared illegal, can file for an injunction at the Supreme Court of Justice, in accordance with the political parties law.

The CNPP also granted legal status today to the Communist Party of Nicaragua and to the Marxist-Leninist Popular Action Movement [Movimiento de Accion Popular Marxista-Leninista]. A total of 10 parties are now legally able to register with the Supreme Electoral Council to participate in the 4 November elections.

Democratic Action and the Central American Unionist Party, [Partido Unionista Centroamericano], which have not yet defined their political stands publicly, are reportedly trying to resolve their legal status.

MISURASATA ASKS CIDH TO RESUME EFFORTS

PA140230 Paris AFP in Spanish 0015 GMT 14 Jun 84

[Text] San Jose, 13 Jun (AFP) -- The Miskito, Sumu, and Rama Sandinist Unity [MISURASATA] today asked the Inter-American Human Rights Commission (CIDH) to "immediately resume" efforts to help the Nicaraguan Indians who are victims of "racial persecution" by the Sandinist Front.

MISURASATA, a federation of Atlantic coast Nicaraguan Indians, said that the CIDH efforts in Nicaragua during the past 2 years have failed "because of the intransigence and indifference" of the Sandinist government.

"We have seen that the CIDH report -- published last week -- objectively reports the serious violations of Indian rights... but we feel that it would be naive to assume that the obstacles to our achieving a friendly solution are due to circumstances beyond the Nicaraguan Government's control," MISURASATA reported.

The Indian federation pointed out that the CIDH's withdrawal from Nicaragua confirmed the Sandinist's "warmongering and racist inclination."

The Sandinist Front "desires neocolonial control" of the Nicaraguan Indian, and "on a basis of lies and calumny has misinformed the international public in an effort to cover up their atrocious actions and intentions to commit genocide against an ethnic group," the statement says.

In this regard, MISURASATA emphatically denied that its struggle responds to "hypothetical segregationist or separatist plans" reported by the Sandinist Front.

MISURASATA also states that it "has listened with alarm" to the Sandinist government's declarations to the effect that a conciliation conference could only be organized "when the aggression has ceased."

Upon requesting that the CIDH resume its efforts in Nicaragua, MISURASATA said that "at this time, the violence and destruction of our communities has worsened" on the Nicaraguan Atlantic coast.

In this regard, it said that during the second week of May alone, "more than 40 Indian civilians were murdered in indiscriminate bombings by the Sandinist Air Force against the communities in the northern and southern parts of Bluefields."

BRIEFS

DOMINICAN REPUBLIC AMBASSADOR -- Julio Cesar Martinez Rivera, Dominican Republic ambassador to Nicaragua, presented his credentials to Nicaraguan junta member Rafael Cordova Rivas yesterday. [Summary] [Managua BARRICADA in Spanish 1 Jun 84 p 5 PA]

SOCIAL CHRISTIAN FRONT -- The Social Christian Workers Front [Frente de Trabajadores Social Christianos -- FRETRA SC] has elected its new board of directors. It consists of Oscar Tellez, secretary general; Mariano Gallo P., secretary of organization; Jose Garcia, secretary of training; Pedro Fernandez O., secretary of finance; and Juan Hidalgo, sergeant at arms. The meeting was attended by the Social Christian Party National Executive Board: Agustin Jarquin Anaya, president; Azucena Ferrey Echaverry, second vice president; and Luis Vega Miranda, secretary general. [Summary] [Managua LA PRENSA in Spanish 4 Jun 84 p 10 PA]

CASTRO SENDS MESSAGE TO CHERNENKO ON CEMA MEETING

FL131524 Havana Domestic Service in Spanish 1045 GMT 13 Jun 84

[Text] Commander in Chief Fidel Castro has sent a message to Soviet leader Konstantin Chernenko on the occasion of the CEMA Economic Summit Conference taking place in Moscow. The message states that in approving the resolution and declaration to be examined by the conference, to which Cuba has modestly contributed during the process of careful collective preparation, our party's Central Committee and the Cuban Government do so without hesitation and are ready to enthusiastically fulfill each and every one of the responsibilities assigned to them.

As stated in the documents being examined, the message states, the summit conference is taking place at a time when the threats against peace are greater then ever before and when survival itself of all countries and peoples is in jeopardy. While humankind has learned through scientists' statements that there will be no escape from the effects of a nuclear war, Mr Reagan and his associates speculate about that catastrophe on the basis of supposed survival and a U.S. victory in the end.

The attempts of the United States, with the support of its principal allies, to attain military supremacy not only accelerate the arms race, but also lead to a geopolitical notion that brings back the idea of spheres of influence and, with them, disregard for the sovereignty of states and the concept itself of the countries' national independence. As an expression of that policy, Mr Reagan and his associates, calling it a right, are deploying in Europe 572 intermediate-range ballistic missiles aimed at the Soviet Union.

The economic summit conference will be socialism's response to those pretensions, a response of peace and at the same time one of firmness. Cuba approves and endorses the decision of the Soviet Union and Warsaw Pact nations of not submitting to nuclear blackmail and of responding to the threats with necessary countermeasures. At the same time, Cuba makes its own the socialist countries' vast number of proposals, ratified in the conference's documents and directed at making negotiation prevail over confrontation and that peace be achieved in the end based on the irreversible principles of parity and equal security.

The agreements submitted to the conference, which are supported by Cuba, will demonstrate once again that socialism and peace go together and that for us, socialism's and communism's representatives, there is no more important task than preserving peace on earth.

Fidel's message to Chernenko states: The Central American and Caribbean region, in which Cuba is located as its natural, geographic, and economic sphere, confirms the theses outlined to the conference that U.S. governing circles simultaneously manage their economic and political interests everywhere in the world, and use pressure of a very different kind to impose their positions. For the purpose of keeping Central America as a privileged backyard of U.S. imperialism, the Reagan administration is attempting to ignore the socioeconomic tragedy of the Central American peoples, which has been the origin of intense people's struggles for more than 5 decades, and is trying to ascribe the Central American events to the East-West contradictions which they themselves have worsened.

Reagan rejects Central America's requests for a negotiated solution, ignores the recommendations of European governments, and pays no attention to the advice of his own allies; likewise, he violates and flouts the decisions of the U.S. Congress and of its main committees.

His terms are unconditional surrender of the Nicaraguan revolutionaries and the Salvadoran guerrillas, or a military solution with U.S. economic and logistical support and under its technical supervision. From Honduras, he organizes the Somozist counterrevolutionaries and possible foreign interventionist military forces, and attempts to impose on Costa Rica the same path of complicity.

He is carrying out all this, which has met universal rejection, saying he is doing it to save Latin America from communism which, according to him, could reach the United States itself. And he rashly accuses the Soviet Union of intervening in Central America through Cuba, which he threatens by refusing to respect the public commitment of not using against us the huge U.S. military resources.

That is why, located on this corner of the world far away from the center of the socialist community, while reaffirming our positions of peace and defending the principles of negotiation advocated by the Contadora Group in our area, we refuse to accept by means of military superiority the imposition of dishonorable concessions which are contrary to our principles, and we are forced to increase our land's defense by preparing ourselves to carry out a people's national defense, a war by all the people against the invaders, if it becomes necessary.

Fidel's message to Chernenko states elsewhere: In this meeting of the socialist community, we would like to express our gratitude for the cooperation of the Soviet Union and most of the CEMA member countries for making it possible for all our men and women to have weapons in the case that such a national struggle becomes necessary.

In a political-military atmosphere full of threats and dangers, the economic summit conference will discuss the more adequate forms to carry out the development of socialist societies with the optimum use of the exceptional possibilities of our invincible social system and the use of resource made available by the scientific-technical revolution.

As a country which builds socialism and at the same time is developing, we hail the conference's intentions of making socialism's advances under the principle of progressive equalization of the economic and social levels of all countries in our community.

The Cuban delegation will submit to the conference our positions with respect to the economic problems to be examined by it.

On behalf of the Cuban party, government, and people, I wish you complete success in the development of your important deliberations.

Signed, Fidel Castro Ruz

CEMA ECONOMIC SUMMIT CONTINUES IN MOSCOW

PA131836 Havana International Service in Spanish 1600 GMT 13 Jun 84

[Text] The working sessions of the CEMA meeting continued in Moscow today. This meeting began yesterday with the participation of high-level delegations from 10 socialist countries. The topic of the discussions is the cooperation and economic development of member states. It was reported that the agenda includes an anlaysis of the world's current political situation. The conference will end tomorrow.

Leaders Meet

PA140206 Havana International Service in Spanish 0000 GMT 14 Jun 84

[Text] The CEMA summit conference's second day of meetings concluded today in Moscow, following speeches by four heads of delegations and the analysis of other points on the agenda. The morning's activities were presided over by Le Duan, secretary general of the Vietnamese Communist Party; the afternoon activities were presided over by Erich Honecker, secretary general of the Socialist Unity Party of Germany.

Within the context of the economic summit, the leaders of the Soviet Union and Hungary, Konstantin Chernenko and Janos Kadar, held meetings and reasserted their rejection of the U.S. Government's warmongering strategy. They said that the socialist countries will continue to strengthen their unity in the face of the grave international situation. Chernenko likewise met with Gustav Husak, secretary general of the Czechoslovak Communist Party, and they asserted their countries' decision to contribute toward the development of economic integration and to strengthen the socialist community's unity.

Carlos Rafael Rodriguez, member of the Communist Party of Cuba's Politburo and head of the Cuban delegation to the CEMA summit conference, today met in Moscow with Todor Zhivkov, leader of the Bulgarian Communist Party. Rodriguez delivered President Fidel Castro's personal greetings to Zhivkov. The two leaders discussed several topics regarding CEMA's future activities, based on the agreements to be signed during the current conference in Moscow.

CASTRO SENDS CONDOLENCES OVER BERLINGUER'S DEATH

PA131540 Havana International Service in Spanish 1600 GMT 12 Jun 84

[Excerpt] Fidel Castro, first secretary of the Communist Party of Cuba [PCC], has said that the personality and actions of untiring struggler Enrico Berlinguer, foremost leader of the Italian communists, reflected his people's struggle to achieve their most legitimate aspirations. These statements are contained in Fidel Castro's message of condolences to the Italian Communist Party [PCI] Central Committee over Berlinguer's death yesterday in Padua.

PCC Politburo member Jose Ramon Machado Ventura will head our country's delegation to the late PCI secretary general's funeral.

JACKSON ANNOUNCES TOUR OF PANAMA, NICARAGUA, CUBA

FL131607 Havana Domestic Service in Spanish 1000 GMT 13 Jun 84

[Text] U.S. black religious leader Jesse Jackson, a Democratic presidential candidate, has announced he will begin a tour of Panama, Nicaragua, and Cuba on 23 June.

We should give proof of a more active diplomatic rapprochement and cease to militarize the region, Jesse Jackson said at the conclusion of a meeting at the State Department. The candidate for the Democratic nomination said he believes the Central American crisis is the result of years of repression, unemployment, and housing and health problems, and not the Soviet interventionism alleged by the Reagan administration. The United States has no moral authority to speak about expansionism or aggression because it is practicing a policy of military expansionism, Jackson stated.

MACHADO VENTURA MEETS WITH MIKHAIL GORBACHEV

FL140048 Havana Domestic Service in Spanish 2130 GMT 13 Jun 84

[Text] Moscow -- Mikhail Gorbachev, member of the Politburo of the CPSU Central Committee, today received Jose Ramon Machado Ventura, member of the Politburo of the Communist Party of Cuba [PCC]. A report issued today says that Gorbachev and Machado Ventura exchanged information on the work done by the CPSU and the PCC. Gorbachev, who is also secretary of the CPSU Central Committee, described to Machado Ventura the activities carried out in the USSR in observance of the resolutions of the 26th CPSU Congress and recent party plenums. Machado Ventura, member of the PCC Secretariat, spoke about the work of the PCC in the organization of its political institutions, socioeconomic development, and defense. Machado Ventura also met with CPSU Central Committee member Nikolay Kruchina.

GARCIA FRIAS MEETS WITH UPPER VOLTA'S DIALLO

FL132300 Havana Domestic Service in Spanish 2130 GMT 13 Jun 84

[Text] Commander of the Revolution Guillermo Garcia Frias, member of the party Politburo and transportation minister, held a fraternal meeting in this capital with Minister of Foreign Affairs Hama Arba Diallo of the Republic of Upper Volta. Garcia Frias expressed the will and readiness of the Cuban Government to cooperate with this nation in the development of transportation. The foreign affairs minister of Upper Volta expressed his gratitude and intention to establish and consolidate close cooperative and work relations with the Cuban people. The two ministers discussed other aspects [words indistinct] and agreed to draw up fruitful cooperation agreements soon.

COLOMBIAN LEGISLATORS MEET WITH ANPP LEADERS

FL132345 Havana Domestic Service in Spanish 2130 GMT 13 Jun 84

[Text] Today in the Palace of Conventions, a delegation from the Colombian congress had a frank, cordial, and friendly exchange of ideas with leaders of the National Assembly of the People's Government [ANPP], headed by Jorge Lezcano, ANPP vice president. The group of legislators, headed by Jesus Maria Suarez, included (Luceli Garcia de Montoya), (Nunciales Cantillo Osa), and others. Jorge Lezcano, Jose Aranaburo, ANPP secretary, Luis Mendez and Ramiro del Rio, ANPP department heads, gave the visitors a detailed report on the creation and functioning of the supreme organ of state power.

The Colombian delegation will visit the Ministries of Foreign Relations and Education, the city museum, the Hermanos Ameijeiras Hospital, and local organs of municipalities located in Matanzas Province.

AALAPSO CALLS FOR SOLIDARITY WITH LEBANON

FL131344 Havana Television Service in Spanish 1100 GMT 13 Jun 84

[Text] Rene Anillo Capote, alternate member of the Central Committee and executive secretary general of AALAPSO [Afro-Asian-Latin American Peoples Solidarity Organization], has read a statement of solidarity with Lebanese patriots, on the occasion of a solidarity with Lebanon conference. The document says that the occupation of Lebanese territory and its dismemberment by Zionist forces indicate conditions favorable to distancing that country from the Arab-Palestinian cause [words indistinct].

AALAPSO also urged all revolutionary, progressive, and peace-loving forces to mobilize to achieve the unconditional withdrawal of Zionist forces in Lebanon, in accordance with Resolutions 508 and 509 of the UN Security Council.

(Maurice Senora), Lebanese Communist Party representative in Cuba, said at the conference that military actions undertaken by Israel in 1967 and 1982 have a direct relation to Yankee imperialist strategy in the Middle East.

PRENSA LATINA MANAGER ON AGENCY'S DEVELOPMENT

PA132142 Mexico City EXCELSIOR in Spanish 29 May 84 p 26-A

[By Gustavo Robreno Dolz, general manager of PRENSA LATINA]

[Excerpts] The predictions by North American news transnationals upon PRENSA LATINA's birth that it would last only 1 month have been eloquently belied by the agency's quarter century of existence and successful international operations. PRENSA LATINA's inauguration on 16 June 1959 posed a challenge to these monopolies , which were used to distorting or muzzling news throughout the world as best suited the interests they serve.

In view of the harassment and closing of offices it faced in Latin America and the United States, PRENSA LATINA decided to expand its radius of action to other areas. A branch was opened in Prague in May 1960, followed by offices in Moscow and the remaining European socialist countries. As a result of this decision, PRENSA LATINA now has 78 cooperation and news exchange agreements with agencies from Third World countries and particularly from member countries of the Nonaligned Movement.

In addition, it is a founding member of the Union of News Agencies of the Nonaligned Countries [Union de las Agencias de Noticias de los Paises no Alineados] and of the National Information Systems Activity [Accion de los Sistemas Informativos Nacionales -- ASIN] of Latin America.

PRENSA LATINA has currently 37 bureaus throughout the world not including a number of special correspondents and contributors who complement and further enrich its news material.

As for PRENSA LATINA's services, 10 years ago it had 2 international and 2 national (Cuba) circuits with a daily traffic of 5,500 items. Now, on its 25th year, it has 27 international and 5 national circuits and a daily traffic of 7,880 items in Spanish, English, French, and Portuguese.

Regarding the means of communication, PRENSA LATINA uses two satellite systems -- Intersputnik and Intelsat. Only one of its circuits is currently operating through teletype, but it will soon be incorporated into the satellite system. In addition, the agency distributes "exclusive" special features and other printed material to complement its daily news service.

It edits such bulletins as the Latin American Economic Panorama [Panorama Economico Latino-Americano] and Socialist Economic Integration [Integracion Economica-Socialista] in cooperation with the Soviet new agency NOVOSTI. To this must be added two months publications: the magazines CUBA INTERNACIONAL (in Spanish and Russian), dealing with Cuban topics, and PRISMA, which is edited in Spanish, English, and Portuguese and deals with Latin American and world topics.

Currently, PRENSA LATINA's most sought after service is its radio service,involving correspondents' reports and commentaries on world events.

SHULTZ CITED ON U.S. RELATIONS WITH NICARAGUA

FL130129 Havana Television Service in Spanish 0000 GMT 13 Jun 84

[Excerpt] U.S. Secretary of State George Shultz today said that better relations between the United States and the Nicaraguan Government are conditional on the so-called ties of dependency which Nicaragua has with the Soviet Union and Cuba.

Shultz reiterated the well-known argument that the Sandinists are involved in the so-called East-West conflict. In Nicaragua's case, this alleged alignment is due to its relations of cooperation with Cuba and the USSR, which are based on the right any nation has to maintain relations with other nations.

In reality there is nothing new in Shultz's statements, which coincide with present U.S. foreign policy toward Nicaragua and Central America. It would be significant to note that these statements were made shortly after Shultz himself visited Managua, and announced the U.S. presumed intentions of initiating a dialogue with the Sandinist leaders.

Such a sharp change in position reveals the truth; that is, Washington never seriously considered talking with Nicaraguan officials. It only amounted to a propaganda tactic. Perhaps the reason behind the Reagan administration's unexpected modification of its position can be found in recent statements made by a former CIA analyst, who said there was no proof that Nicaragua is supplying weapons to the Salvadoran guerrillas.

VENEZUELANS SUPPORT CONTADORA GROUP EFFORTS

PA140412 Havana International Service in Spanish 0000 GMT 14 Jun 84

[Report by Oscar Perdomo, PRELA correspondent in Caracas]

[Text] The possibility that the peace efforts carried out by the Contadora Group are about to enter a new and decisive phase has awakened encouraging reactions and a discreet optimism in Venezuelan political circles. The efforts to achieve peace in Central America that are being made by the group -- comprised of Panama, Mexico, Colombia, and Venezuela -- have the support of the vast majority of Venezuelan sectors. They all agree that it is necessary to stop military, political, and economic hostilities against Nicaragua, and halt the plans for a direct large-scale U.S. intervention in the Central American area.

No one here dares to discard the idea of a U.S. invasion, basically against Nicaragua and El Salvador, if the White House persists in its arguments that their so-called vital interests in the zone -- which is considered part of its backyard -- are endangered. In this regard, Venezuela disagrees with any type of foreign intervention in Central America. It has made the Contadora contacts part of its foreign policy, according to Foreign Minister Isidro Morales Paul.

Morales Paul and his Panamanian colleague next Friday will deliver the Contadora proposal for peace and cooperation in Central America to UN Secretary General Javier Perez de Cuellar. The document has also been delivered to the Central American governments for their review. Morales Paul said that the proposal represents the efforts of the Contadora Group's political, security, and economic and social commissions to achieve harmony. It includes mechanisms to solve controversies between states, according to Article 33 of the UN Charter.

The head of Venezuelan diplomacy pointed out that the Contadora Group proposal for peace and cooperation in Central America also contains a special protocol that can be signed by all the governments of the world.

He said that it is now necessary to wait for the Central American governments' reply, possibly before 15 June. Perhaps it will then be necessary to convoke a Contadora Group meeting in Panama to evaluate the observations and comments sent by the countries directly involved in the heart-rending Central American conflict.

SALVADORAN COFFEE WORKERS ISSUE DEMANDS TO DUARTE

PA132338 Havana International Service in Spanish 1800 GMT 13 Jun 84

[Text] Trade Union of the Coffee Industry [Sicafe] workers from El Salvador have demanded that regime chief Jose Napoleon Duarte make a pronouncement in favor of free organization into unions and similar workers' rights.

In a declaration sent to the country's news media, the Sicafe workers -- the industry is El Salvador's most important -- also demanded the release of political and union prisoners, as well as the annulment of the state of siege, respect for the human rights, cessation of repression, and a salary raise in all (?commercial) sectors.

The demands have been backed by the members of the Salvadoran Association of the Unemploye [Associacion de Desempleados de El Salvador] -- which includes more than 105,000 unemployed workers, professionals, and technicians -- and the General Association of Public and Municipal Employees. It has been estimated that there are more than 500,000 unemployed persons in this Central American country.

GUATEMALAN TV DENOUNCES WAVE OF KIDNAPPINGS

FL132202 Havana Domestic Service in Spanish 2000 GMT 13 Jun 84

[Text] Guatemalan television has denounced a wave of kidnappings in the Department of San Marcos while political leaders report on the systematic harassment of opposition parties by the Guatemalan Army.

The television newscast "El Mundo" broadcast in the capital of Guatemala said that, in less than 1 month, more than 40 persons have been kidnapped by the paramilitary groups that commit various crimes against the civilian population. According to the source, the inhibitants of southwestern San Marcos live in terror because armed men constantly attack their homes and kidnap their inhabitants.

"El Mundo" said that these repressive acts contribute to the increase in the exodus of peasants towards Mexico, where many Guatemalans have sought refuge and peace.

HONDURAN UNIONS CALL FOR INDEFINITE STRIKE

PA132125 Havana International Service in Spanish 1600 GMT 13 Jun 84

[Text] The Confederation of Honduran Workers [CTH] has called for a nationwide strike, to last for an indefinite period of time and to begin on 20 June, to protest the new taxes decreed by the government in the last few days. The CTH consists of 74 unions containing more than 200,000 workers; its President Mariano de Jesus Gonzalez said that the strike will be suspended only if Congress repeals the new taxes.

The taxes affect 80 percent of Honduras' working class, Gonzalez said, adding that if the government does not revoke the tax package the strike will go on indefinitely. We hope, he warned, that the government will not use the Armed Forces to destroy this effort to pursue a social claim.

ALFONSIN DISCUSSES ECONOMY IN MADRID SPEECH

PA131458 Havana International Service 0000 GMT 13 Jun 84

[Text] Argentine President Raul Alfonsin said in Madrid that the military regimes annihilated his country's economic development, and he urged the Western industrialized nations to modify their policies toward the underdeveloped world.

In a speech delivered before a plenum of the Spanish Cortes on the second day of his official visit in Spain, Alfonsin said that the economic policy adopted by the Armed Forces in his country contributed to financial speculation and originated a foreign debt equivalent to two-thirds of Argentina's GNP. Alfonsin added that the Argentine people are willing to sacrifice in order to move ahead, and that they will pay their debts, but not at the cost of starving.

He stressed: Latin America's large debt is the result of perverse mechanisms, not the least of which is the fact that they lend us money in such a way as to keep us from developing.

Alfonsin announced that the so-called Madrid Declaration will be signed and made public by the Spanish and Argentine Governments on Wednesday.

CHILEAN COMMUNISTS HOLD CLANDESTINE MEETING

PA140018 Havana International Service in Spanish 1800 GMT 13 Jun 84

[Text] The first clandestine national meeting of the proscribed Communist Party of Chile has unanimously reelected Luis Corvalan secretary general. Corvalan is currently in exile in the Soviet Union. In a document issued at the end of the conference, the party rejected any dialogue with the Pinochet dictatorship and reasserted the need to resort to various forms of struggle against the regime, including armed struggle.

NONALIGNED MOVEMENT CONDEMNS BOTHA INVITATIONS

PA112314 Havana International Service in Spanish 0000 GMT 11 Jun 84

[From the "Weekly Feature on the Nonaligned Movement"]

[Excerpt] The Nonaligned Movement Coordinating Bureau condemned the decision of several Western European countries who invited Pieter Botha, prime minister of the racist South African regime, to travel to their countries on an official visit.

In a document issued at the end of a meeting held at the UN headquarters, the nonaligned countries noted that the countries that invited Botha have violated UN and OAU agreements, which call for the total isolation of Pretoria's regime. The communique stresses that Botha's tour is a political maneuver aimed at breaking the international isolation declared on the South African regime and also seeks support from these European nations for the policy of strengthening apartheid, as well as their approval of South Africa's destabilizing policy toward its neighboring countries and the illegal occupation of Namibia by South African troops.

The Nonaligned Movement Coordinating Bureau reaffirmed the call made at the organization's seventh summit in New Delhi asking governments and international organizations to suspend contacts and all relations with the racist South African government.

LABOR MINISTER: UNIT IN PRD 'INDISPENSABLE'

FL132340 Santo Domingo LISTIN DIARIO in Spanish 4 Jun 84 p 14

[Excerpts] Dr Pedro Franco Badia yesterday said that unity within the Dominican Revolutionary Party [PRD] is "indispensable." He said that if the PRD did not curtail infighting, the 1986 elections would not produce positive results (for the PRD).

But, Franco Badia added, at the moment harmony can be seen within PRD ranks, and for that reason he believes that the PRD will win in the next elections.

Labor Secretary Franco Badia said that "the party must be strengthened, and we must look to the grassroot organizations and keep them informed on the nation's problems."

Franco Badia said that he was not currently thinking of running in the 1986 elections. He added that "this is not the time to be thinking about public office; this is a time to work, because that is what the people want."

Franco Badia said that his role, as a political leader, is to do his job as Secretary of Labor, adding that in this function he conducts his work according to economic and social circumstances.

He said that he does have political aspirations, but that these aspirations will be revealed, if necessary, in 1985, a year before the elections.

6 OPPOSITION PARTIES ASK FOR SINGLE BALLOT

FL131744 Santo Domingo LISTIN DIARIO in Spanish 5 Jun 84 p 1

[By Saul Pimentel]

[Text] Representatives of six opposition parties yesterday asked the Senate to finish studies on a proposed single ticket [boleta unica] bill so that the Chamber of Deputies can give the project final approval.

This request was made by retired General Elias Wessin y Wessin of the Quisqueyan Democratic Party (PQD), Claudio Isidoro Acosta and Pedro Peralta Jr of the Revolutionary Social Christian Party (PRSC), Juan Aristides Taveras Guzman of the Reformist Party (PR), General Luis Ney Tejeda Alvarez of the National Civil Veterans Party (PNVC), Jaime Manuel Fernandez of the Movement of National Conciliation (MCN), and Juan Demostenes Cotes Morales of the People's Will Movement [Movimiento Voluntad Popular] (MVP).

The group met for 2 hours yesterday at the PNVC offices to organize the proposals it will present at a meeting with the Central Electoral Council (JCE) today at 1000.

At the meeting the results of the PQD's petition presented in January will be given. The petition asks for the establishment of a single ticket, a budget increase for the JCE, JCE control of the general directorate of the Identification Issuing Department and the Civil Service, and that a "trustworthy" revision be made of the Electoral Registry.

The representatives from the six parties said they will remain "inflexible" on these four points.

They said they were asking the Senate to finish studying the bill because it had only given the proposal one reading.

They added that they had decided to form a coalition to oppose "attacks by the governing party or other parties against any democratic opposition party."

UNION LEADERS MEET PRESIDENT, DISCUSS IMF

FL131650 Santo Domingo LISTIN DIARIO in Spanish 5 Jun 84 pp 1, 14

[By Maximo Manuel Perez]

[Excerpts] Yesterday, President Salvador Jorge Blanco confirmed to leaders of the main labor unions that the government would reach an agreement with the International Monetary Fund in order to fulfill foreign obligations.

Julio de Pena, secretary general of the General Central Organization of Workers, who, with other labor leaders, met with the president at Government House, made that announcement at the National Palace.

De Pena said: "The most important aspect of this is that we have proposed several suggestions on how to face the situation, because the government says it must reach agreements with the IMF since there are no dollars."

He announced that the five labor organizations presented the government with several proposals which, in his judgement, could contribute to the solution of the country's economic crisis.

De Pena said: "We, the trade unionists, understand that if the government or the country keeps the door closed for credits because the value of our exports does not permit us to cover the debt service, we should adopt a radical attitude and not pay the service on the debts. If we take out more loans to pay off loans, we are not going to solve the problems of acquiring raw materials, food, and medicine."

He said that the labor organizations are insisting on the "search for a national solution which entails the radical reorientation of the government's economic and social policy."

De Pena specified: "We favor the establishment of state control over currency so it will be used rationally. We also believe it is a crime for capitalists to take dollars out of the country, not to buy raw materials, but to deposit them in foreign banks and take advantage of the high interest rates in U.S. banks."

BRIEFS

NEW AMBASSADOR TO COLOMBIA -- The new ambassador of the Dominican Republic to Colombia, Rafael Eduardo Varela Benitez, yesterday presented his credentials to President Belisario Betancur. The ceremony was attended by Colombian Foreign Minister Rodrigo Lloreda Caicedo and personnel of the Dominican Embassy in Bogota. [Summary] [Santo Domingo Radio Popular in Spanish 0930 GMT 13 Jun 84 FL]

NEW TURKISH AMBASSADOR -- Aydin Yegen will present his credentials as the new Turkish ambassador to the Dominican Republic to President Jorge Blanco on 18 June. [Summary] [Santo Domingo LISTIN DIARIO in Spanish 6 June 84 p 3 FL]

BAHAMAS

TV, RADIO STATIONS REMAIN CLOSED DUE TO STRIKE

FL121808 Bridgetown CANA in English 1748 GMT 12 Jun 84

[By Ivan Clifford]

[Text] Hamilton, Bermuda, June 12 (CANA) -- Bermuda was without television and five of its six radio stations for the fourth day running today because of a pay dispute and chances of a settlement appeared slim.

The Bermuda Broadcasting Company, which owns ZMB and ZFB television stations as well as five radio stations, closed down operations early Saturday morning after talks between management and the Bermuda Industrial Union (BIU) broke down.

Talks aimed at hammering out a new wage agreement have been going on for months.

In a statement issued at the weekend the BIU said it had rejected an offer of pay increases of six, seven, and nine per cent over three years and was holding out for seven, nine, and 11 percent over the same period. The company says it cannot afford the union's request.

About 40 unionised workers began an all-out strike last Thursday. Only two reporters showed up for work and together with members of management kept television and radio services going for two days.

With Bermuda broadcasting off the air, the only radio station operating is VSB, owned by Hamilton businessman Kenneth Defontes.

The shutdown provided a boost for video rental outlets which reported bumper business over the weekend from entertainment-hungry Bermudians who had already suffered a blow when the island's only cinema, the Rosebank, closed at the end of last month because of heavy financial losses.

President of Bermuda Broadcasting Martin Smith said last night that the shutdown would continue as long as the strike went on, saying his company no longer felt it was possible to continue broadcasting in the circumstances.

The BIU employees have withdrawn their labour and we think it is unfair to expect management, supervisory, and other loyal staff to continue operating any longer, said Smith.

We are perfectly prepared to continue the negotiation process but only if the union understands our financial position and is prepared to moderate its demands. Until then there doesn't seem to be much hope that things will be settled, said Mr Smith.

Non-striking staff are still being paid while the dispute goes on. Smith said the company was losing money but he declined to say how much. He said the company simply could not afford what the BIU was asking for.

DOMINICA

MINISTER ON REGIONAL CARIBBEAN ARMY'S ROLE

FL132120 Bridgetown CANA in English 2053 GMT 13 Jun 84

[Text] Roseau, Dominica, June 13 (CANA) -- Dominica's Interior Minister Brian Alleyne has said that neither the role nor the composition of an army some Caribbean governments are planning to establish has been decided on. He also said no superpower would be allowed to control the force.

During a television panel discussion entitled "Is the Caribbean too militarised," Alleyne said "it seems to me, clearly, that there is absolutely no intention but (that) the regional governments should control this regional security force."

Six Caribbean states -- Dominica, Barbados, St Vincent and The Grenadines, Antigua and Barbuda, St Lucia, and St Kitts and Nevis -- want to set up the force to protect themselves against revolutions from external aggression [as received]. The United States has been approached for help.

Alleyne added "precisely what is the role of that force has not yet been finally settled. Even what the composition of that force would be has not yet been finally settled."

He said Dominicans must look at the role of the force not in terms of being involved when people used legitimate means to change a government but when a violent coup attempt was made.

"When we talk about defending ourselves, we talk in the context of defending ourselves against forces of similar strength and size," he added. "We could not contemplate effectively arming ourselves against an invasion (by a superpower)."

JAMAICA

CENTRAL BANK WORKERS WIN DEMAND, RETURN TO WORK

FL132100 Bridgetown CANA in English 2012 GMT 13 Jun 84

[Text] Kingston, Jamaica, June 13 (CANA) -- Staffers at the (central) Bank of Jamaica returned to work today after a strike yesterday won their demand for a return to direct bargaining for a new salaries contract rather than having the issue arbitrated by the Industrial Disputes Tribunal (IDT).

Yesterday's strike by over 600 Bustamante Industrial Trade Union (BITU) represented employees, shut-down most areas of the bank operations and it was harried top officials who had to do all the work connected with the twice weekly auction through which Jamaica allocates scarce foreign exchange and fixes the parity between the local currency and U.S. dollar.

The possibility of a drawn-out strike was averted by the intervention of acting Prime Minister Hugh Shearer who was able to arrange for direct talks between the union, of which he is the president on leave, and the bank's management.

However, the parties still have to report on June 22 to the IDT on the progress of their negotiations. The matter had been sent there by Labour Minister J.A.G. Smith when his ministry was not able to move the negotiations forward. The bank staffers have asked for a 30 percent increase in each year of a two-year contract, but management offered 16 percent in the first year and 14 percent in the second.

The workers claim that the bank has the ability to pay, and charge that the salaries for a small group of expatriate consultants could meet the wage bill of the unionised staffers. Their claim was worth 2.5 million dollars (one J dollar; 26 cents U.S.), they said.

PRIME MINISTER EXPLAINS FOOD STAMP PROGRAM

FL131908 Kingston THE DAILY CLEANER in English 1 Jun 84 pp 1, 3

[Text] Prime Minister, the Rt Hon Edward Seaga, met yesterday with members of the banking community and the wholesale, distributive, and retail trades to introduce them to the Food Stamps which are to be used in the Government's Food Security Programme as a means of purchasing certain specific types of basic food items. The Food Stamps are to benefit 400,000 recipients comprising pregnant and nursing women and children up to three years old, and elderly, indigent, and other needy persons categorised as nutritionally deficient to ensure that they do not suffer from increased food prices but are able to buy food to maintain a basic level of nutrition.

Explaining the mechanisms of the Food Stamp System, the Prime Minister said food will be distributed as usual through the commercial channels working its way to the shops. The recipients of Food Stamps will use the Stamp to purchase from retail outlets certain designated items. These items are cornmeal and skimmed milk for expectant and nursing women and children up to 3 years, and cornmeal, skimmed milk, and rice for the elderly and the indigent.

Mr Seaga said all Food Stamps will value $2.00 and will be contained in two books of different colour -- pink for expectant and nursing mothers and children under three years and green for the elderly and indigent. Each book will have 10 stamps with a total value of $20.00. The face of each stamp will bear the $2.00 mark and the Coat of Arms. And the food items to be purchased will be printed on the back of each stamp. Once the Stamps are put into the system through the purchase of food items, Mr Seaga said, shopkeepers would then pass them either directly into the banking system or use them as part payment to suppliers who would in turn send them into the commercial banks which will encash them. The banks will then cancel the Stamps and present them to the Bank of Jamaica where they are redeemed. There is no particular date on the Stamps and they can be encashed at any time.

The Prime Minister went on to explain that the Food Stamps have a number of security features which will ensure that they cannot be counterfeited. These include certain colourations, embossements, and an intricate design. He said that all the precautions that are applied in regards to the printing of currency notes have been taken with the Food Stamps.

He asked the bankers, wholesalers, distributors and retailers present at the meeting which was held at Jamaica House to accept the Food Stamps as a monetary unit and a medium of exchange for the specific items printed on the Stamps and he expressed the hope that their cooperation will contribute to the success of the Food Security Programme.

Announcement of the Food Security Programme was made by the Prime Minister during his presentation of the 1984/85 Budget to Parliament last Thursday, May 24. The Programme is designed to provide more than 100 per cent of the protein requirements for all children between 30 per cent to 71 per cent of their energy requirements. Pregnant and nursing women will receive between 48 per cent to 58 per cent of their protein requirements and over 21 per cent of their energy needs. The other adults will receive 49 per cent to 62 per cent in protein and over 21 per cent of their calorie needs.

ST CHRISTOPHER-NEVIS

CANDIDATES ANNOUNCED FOR GENERAL ELECTIONS

FL131648 Bridgetown CANA in English 1632 GMT 13 Jun 84

[Text] Basseterre, St Kitts, June 13 (CANA) -- The ruling coalition of the People's Action Movement (PAM) and the Nevis Reformation Party (NRP) gained its first seat without a vote when nomination day proceeding for next week's general elections closed yesterday. The NRP's Uhral Constant was unopposed in constituency district number 11, one of three on Nevis, and declared the winner. The other eight constituencies are on St Kitts.

The PAM and the opposition Labour Party led by former Premier Lee Moore are contesting all the seats on St Kitts. The newly-formed political group, the Kelsick and Wilkin Monopoly Breakers (KWMB), is fielding six candidates. On Nevis, the NRP of Nevis Premier Simeon Daniel is opposed in two districts by the People's Democratic Party (PDP).

Overall, 26 candidates will face the electorate in what should be a straight contest between the ruling coalition and the Labour Party. The elections, the first since the twin island state became independent last September, take place on June 21.

The following is a list of candidates and constituency districts:

St Kitts

Constituency district one: Michael Powell (PAM), Dr Cuthbert Sebastien (Labour), Reginald Thomas (KWMB).
Constiuency two: Eli Freeman (KWMB), Anthony Riberio (Labour), Dr Kennedy Simmonds (PAM).
Constituency three -- Cowelby Blake (KWMB), Joseph France (Labour), and Irving Sweeney (PAM).
Constituency four -- Elvis Brookes (KWMB), Constance Mitcham (PAM), Lee Morre (Labour).
Constituency five -- James Buchanan (Labour), Carlton Dupont (KWMB), Hugh Heyliger (PAM).
Constituency six -- Roosevelt Caines (PAM), Charles E. Mills (Labour).
Constituency seven -- Roy Jones (PAM), E. St John Payne (Labour).
Constituency eight -- Halver Hendrickson (Labour).
Sidney Morris (PAM), Glenville S. Williams (KWMB).

Nevis

Constituency nine -- Theodore Hobson (PDP), Ivor Stevens (NRP).
Constituency ten -- Simeon Daniel (NRP), Zetheniah Liburd (PDP).
Constituency eleven -- Uhral Constant (NRP) unopposed and declared winner.

The symbols Labour -- hand, PAM -- hat, and KWMB -- hammer, NRP -- bottle, PDP -- shoe.

EXECUTIVE SAYS BAUXITE INDUSTRY SET FOR REVIVAL

WA141115 Rome IPS in English 4 June 84

[Text] Georgetown, June 4 (IPS) -- Guyana's bauxite industry, badly battered by the effects of world recession and local production problems over the past three years, is likely to show a profit this year, according to Dunstan Barrow, chief executive officer of Guyana Mining Enterprise (Guymine).

Barrow, speaking on a weekend radio program, said the industry would show a profit of approximately $30 million in 1984.

Guymine was able to reduce after tax losses from $12.6 million to $10.4 million up to the end of April, said the Guymine official. Viewed against last year's figures, Barrow said, the industry's productivity so far this year has almost doubled.

Guymine, the state firm that runs the vital industry, has surpassed both its sales and production of calcined bauxite to date, while achieving 80 percent of processing and sales of metal grade ore.

Guymine's earnings for the four months of this year stood at $59.9 million.

Shortage of machinery, increases in fuel and other operating costs, industrial problems and losses of managerial and skilled staff have impeded the company's efforts over the last few years.

Guyana has reportedly been under pressure from international lending institutions to hand over the nationalized bauxite industry to ALCAN, its previous owners.

Barrow acknowledged the need for Guymine to undertake a rehabilitation program. But he said there was not sufficient money for this to be done.

He credited the company's recent turnaround to the operation of three mines at Linden, and four instead of the regular two at the other major bauxite plant, Berbice. Barrow said Guymine had also concentrated on marketing, had increased the amount of equipment available, raised fuel efficiency, and trimmed staff "to appropriate levels."

Calcine bauxite, which for years has been the industry's chief money earner, surpassed production targets by 14,000 tons for the first five months of this year, Barrow said.

The company exported 223,000 tons of calcine bauxite as against a target of 202,000 tons.

There was, however, limited demand for metal grade bauxite, and Guymine produced only 335,000 tons instead of the budgeted 419,000 tons. Sales of metal grade ore also fell short of the 359,000 ton target, with exports reaching only 312,000 tons.

Nevertheless, Guymine was in a position to sell all the calcined bauxite it could produce on the world market, Barrow declared.

PRESIDENT BURNHAM, DELEGATION VISIT CHINA

For Beijing XINHUA reportage of the visit by Guyanese President Forbes Burnham and delegation to China, including his meetings with top PRC officials, see the Western Hemisphere section of the 14 June China DAILY REPORT and subsequent issues.

ECUADOR

HURTADO VIEWS EFFORTS ON DEBT PROBLEMS

PA112329 Paris AFP in Spanish 2003 GMT 11 Jun 84

[Text] Quito, 11 Jun (AFP) -- Ecuadoran President Osvaldo Hurtado said in Quito today that "simple expressions of good will will hardly resolve the problems of the Third World and particularly those of countries whose economics are being affected today by their foreign debt."

Hurtado was referring to the results of the summit of the seven industrialized countries which ended on Saturday.

"Many Latin American countries, among them Ecuador, have made great efforts to readjust their economies by putting austerity programs into effect," the president's statement added. The statement was read by Ramiro Rivera, secretary of information, at the Government Palace.

"However," the statement added, "these measures have not been sufficient for the recovery of economic growth because of the inadequate terms with regard to time limits, interest rates, and the margins in which the foreign debt of the Third world continues to be renegotiated."

Hurtado stated that "Ecuador has always been a supporter of a dialogue with the industrialized countries, as with the international private banks, but for this procedure to have any effect it is necessary for all the parties to do the same."

Hurtado concluded by saying that "Unfortunately, while Latin America has done everything possible to find a common solution, the industrialized countries and the international private banks have not."

VENEZUELA

WORLD INVITED TO ENDORSE CONTADORA PROPOSAL

PA120341 Caracas Radio Rumbos Network in Spanish 2100 GMT 11 Jun 84

[Text] The Contadora Group will invite all the nations of the world to endorse the additional protocol to the peace document presented to the Central American governments. This was announced during a press conference by Venezuelan Foreign Minister Isidro Morales Paul. The meeting with reporters was held to inform them of the mission that he and his colleagues from Mexico, Colombia, and Panama fulfilled in the Central American region. They presented the Central American governments with a document containing the guidelines for a peace agreement for the area.

During the press conference held in Caracas, Foreign Minister Morales Paul said that Contadora will invite all the nations of the world to sign the additional protocol to the peace document.

BRITO MARTINEZ NAMED NEW DEFENSE MINISTER

PA121226 Caracas EL UNIVERSAL in Spanish 8 Jun 84 p A1

[Excerpt] Rear Admiral Andreas Brito Martinez is to be the new Venezuelan defense minster. He will replace Major General Humberto Alcalde Alvarez.